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Highlights of readership survey

All *Labour Gazette* subscribers were invited to participate in our survey. The return rate was a disappointment. Nevertheless, we are happy to have 125 completed surveys containing answers to 58 questions about *Gazette* readers and how they react to the magazine. Traditionally, our readers are not great letter-to-the-editor writers, so we're more than grateful for the feedback we received.

The questions on the survey were in five groups:

1. An attempt to determine a reader profile.

2. Questions about our regular sections.

3. Questions about the topics covered.

4. Thoughts on the quality of the magazine and suggestions for future editorial plans.

5. Blank space for additional comments.

The survey confirmed a few ideas we had about our readers, and injected a few new ones. The statisticians reading this may wonder about the reliability of the selection method, because we are unable to compare our group of 125 to the total readership. That is a valid point, but at least now we have these opinions, so let us examine that group:

- They are primarily in education (27 per cent); government (25 per cent); unions (21 per cent); business (14 per cent); and the news media (6 per cent).

- Most are in managerial and administrative occupations (36 per cent), social sciences (28 per cent), and occupations related to the media (15 per cent).

- As many as 48 per cent are in organizations with more than 1,000 employees. Only 10 per cent are in companies or institutions with 50 employees or less. Another 21 per cent work in a group of 301 to 1,000 employees, and 18 per cent are in organizations with 51 to 300 employees.

- Two thirds have a university degree and an equal proportion earn more than $20,000 a year. Forty per cent are over 45 years of age.

- Most live in Ontario (49 per cent), British Columbia (20 per cent), and Quebec (13 per cent).

Replies to questions on the usefulness of our regular sections indicated that "very useful" are News Briefs (65 per cent), Labour Legislation (66 per cent), Labour Statistics (52 per cent), Forum (41 per cent) and Books (40 per cent).

The questionnaire section that looked into preferences for article topics was revealing. Topics that most respondents found of "considerable interest" were:

- Techniques to resolve labour-management disputes and maintain industrial harmony (81 per cent).

- The Canadian economy (62 per cent).

- Job satisfaction, motivation (61 per cent).

- The labour movement, unions, their leaders (61 per cent).

- Industrial relations in particular sectors of the economy, affecting particular groups (59 per cent).

- Labour costs and productivity (58 per cent).

Every topic listed in our questionnaire held at least "some interest" to more than 80 per cent of survey respondents.

The vast majority of replies indicated a favourable disposition to the *Gazette*. More than 82 per cent expressed satisfaction with the present mix of articles, 87 per cent of respondents read the *Gazette* for news and information that they do not get from other sources, and 85 per cent like the magazine's presentation, format and appearance.

Two thirds of respondents expressed an interest in more articles of analysis and opinion, 58 per cent said they would like to see more articles by non-government experts and more reports on labour-related research.

Most respondents — 86 per cent to be exact — described the *Gazette* as "informative," 71 per cent as "useful" and 40 per cent as "valuable." Ten per cent think the magazine is "generally behind times," 2 per cent think it is "superficial."

We were gratified to learn that most of our respondents keep the *Gazette* on file for reference. Only 8 per cent put it in a reception area and 2 per cent discard it after reading it. lg

NEWS BRIEFS

MULTINATIONALS

Unionists welcome OECD guidelines

The guidelines for multinational enterprises adopted in July by the Organization for Economic Co-operation and Development have been welcomed by the organization's trade union advisory committee as a "first result" of its efforts.

But the committee has made it clear it will continue to press for a tightening-up of the guidelines, including the nine-point section on industrial relations and employment.

That section calls on multinational corporations to:

- respect the right of employees to be represented by unions;

- provide employee representatives with the facilities they need to extend the development of effective collective agreements, and the information needed for meaningful negotiations on conditions of employment;

- provide employee representatives — where this is in accordance with local law and practice — with information enabling them to obtain a true and fair view of the performance of the enterprise;

- to the maximum extent possible, use members of the local labour force and train and prepare them for upgrading;

- observe standards of employment and industrial relations no less favourable than those of comparable local employers;

- provide reasonable notice of operational changes — such as closures and redundancies — that would have a major impact on employees' livelihoods, and co-operate with worker representatives and appropriate government authorities to mitigate their adverse effects;

- implement employment opportunities without discrimination, unless selectivity on the grounds of employee characteristics is practised in order to further establish government equal-opportunity policies;

- avoid the threat of the transfer of production to influence unfairly *bona fide* negotiations or the right to organize;

- enable employee representatives to conduct negotiations with representatives of management who are authorized to take decisions on matters under negotiation.

MANUFACTURING

Shoe industry receives help from government

Canada's footwear industry is getting help from the Department of Industry, Trade and Commerce in the form of a $1 million grant to help establish a new Footwear and Leather Institute of Canada.

The Institute will provide management consulting services to the footwear and tanning industries, gather statistical data, and prepare marketing strategies and advisory services for all areas of management.

About 180 footwear and tanning companies employing about 22,000 people — most of them in Ontario and Quebec — are eligible for membership.

Canada's shoe industry is seriously threatened by low-cost imports, and last year its production dropped by 10 per cent. One of the industry's problems — a high rate of labour turnover — was the subject of a study headed by Bernard Portis, an associate professor of the School of Business Administration at the University of Western Ontario.

His study, based on consultation with people in the industry and examination of personnel and payroll records, makes several recommendations for reducing labour turnover "which can cost large shoe plants of 200 or more employees...$100,000 or more per year."

"A distressed industry, such as the Canadian shoe industry, cannot afford such increases in labour and training costs," Portis concludes. Among his recommendations: closer co-operation with Canada Manpower and other government agencies in recruiting and training employees; improved selection and orientation of new employees; more attention to improving wages and working conditions — including use of individual piece rates or group incentives; and more experimentation with new methods of training and motivating both production workers and foremen.

Portis' 52-page report, entitled *Reducing Labour Turnover in the Canadian Shoe Industry,* is available from the School of Business Administration at the University of Western Ontario.

EMPLOYMENT

Old people will work if given the opportunity

Ben Malkin, in an article for the Ottawa daily newspaper, *The Citizen,* says old people don't need unemployment insurance or tax incentives to stay on in the labour force — all they need is the opportunity.

He takes issue with a recent proposal by Kris Kristjanson, a vice-president of the Great-West Life Assurance Company, that people over 65 should be encouraged to work with the incentive of paying no income tax.

Malkin says the elderly when working, should pay taxes on their income from that work and he doubts that they need such an incentive anyway. "The extra money is always useful," he writes. "But the feeling of usefulness is even more valuable. A person who has worked for 45 or 50 years doesn't need a special incentive to go on working for a few hours every day. What he needs is the opportunity."

Senate committee reports on manpower training

A Senate committee has made some proposals aimed at getting better value for the $100 million a year the federal manpower division is spending on basic educational training.

The committee wants referrals for such training to be made only on the basis of encouraging trainees "to complete a course of studies intended to improve their employability." The training allowances should not be used "to provide a temporary substitute for other forms of maintenance."

The 141-page *Report of the Standing Senate Committee on National Finance on Canada Manpower,* made public Sept. 8, also says more of the training should be provided "in the employment environment" and less in community college classrooms.

The committee wants a pilot project set up "to explore the potential of private industry to give trainees institutional-style courses combining practical experience with the theoretical background. Such institutional training in industry might be commissioned on the basis of a review of competitive tenders submitted by interested employers."

The committee also wants the manpower division to improve its communication both with the public and with the personnel in its individual manpower centres, and to establish management review teams to make continuing assessment of the performance of the centres.

The committee expresses its concern that basic educational training "an area which is essentially a provincial responsibility" is costing the manpower division more than $100 million a year. It says the division should be more insistant that the skill training programs it purchases from the provinces "are more closely related to current local labour market needs."

The committee also recommends that representatives of business and labour be included in both the planning and assessment of manpower training courses.

Other recommendations include:

- That the division give explicit recognition to the functional division of duties performed by counsellors in the centres: "Those directly involved in the actual referral of job-ready clients to specific job orders should be designated 'placement officers.' Those responsible for in-depth vocational and employment counselling should retain the title 'manpower counsellor'."

- While it is important to help the handicapped to obtain productive employment, "expenditure by the division of both money and effort on this activity should not lead to the neglect of those job seekers who are job-ready or can be made so through the established training and counselling services of Canada Manpower."

- Strict control be exercised over any expansion of the training program, to ensure that it is "more directly related to the provision of immediate opportunities for employment than it appears to be at present."

The committee also recommends continuance of the Student Manpower Centres, and supports the public relations programs designed to encourage employers to hire students. It also recommends that the Local Initiatives Program be continued "on a contingency basis subject to a full annual reassessment."

It says Local Employment Assistance Programs should have, as an important part of their preliminary planning "a full and realistic assessment of the possibilities for successful placement

of the participants." It also recommends that contracts to establish and supervise LEAP projects be extended "to suitable profit making organizations which agree to accept disadvantaged job seekers for a period of training and possibly retain the trainee in employment at the conclusion of the contract training."

Engineering graduates face poor job prospects

The supply of new bachelor's level engineering graduates in Canada is expected to exceed demand from 1979 to 1984, according to a new report commissioned by Technical Service Council/Le Conseil de Placement Professionnel.

Nevertheless, their job prospects are expected to be much better than those of general arts or general science graduates, say researchers E.B. Harvey and K.S.R. Murthy in their 39-page study, *Engineering Manpower, Demand and Supply: Further Estimates.*

The report reiterates a finding of a previous study by the two authors: that Canadian employers are interested mainly in graduates with a single degree.

They also conclude that graduates with advanced degrees are normally unwilling to compete for jobs with graduates holding bachelor's degrees. They predict that demand for new engineering graduates will exceed supply until late 1978, when supply will overtake demand.

RETIREMENT

Compulsory retirement at sixty-five denounced

Dr. Gustave Gingras, director of the Rehabilitation Institute of Montreal, blames compulsory retirement on Bismark.

The Canadian Press news agency quotes Gingras as saying that the German social insurance system established by Bismark in 1889 fixed the retirement age at 65. The other European countries followed suit, and the idea spread to North America.

"This was in an era when the average span of life was in the late 30s," he is quoted as saying. "Today there is no scientific, social or gerontological basis for selecting 65. Age should be measured by achievements, not birthdays..."The decision to stop working should be a matter of to each his own."

MANAGEMENT

Middle-management may soon unionize

Middle-management personnel may be the next group to turn to union organization and collective bargaining, according to an article in the U.S. periodical, *Business Week.*

Arch Patton, recently retired director of McKinsey and Co. and chairman of the latest presidential commission on executive, legislative and judicial salaries, predicts this result from a current "boom in executive self-interest."

Before the 1950s, he writes, many generations of industry's managers equated their career interests with the success of their employer. But today "job-hopping among policy-level managers appears to be increasing at a rate close to 20 per cent annually."

He said higher-level executives obviously won't need an organization to further their interests, but that organizational efforts for collective bargaining are likely to occur in middle-management ranks, "both numerous and important to corporate responsibility."

"Chain-store managers, department store buyers, regional sales managers, product managers and key manufacturing managers fall into this category," Patton observes.

"How such an executive union would pursue its self-interest objectives obviously depends on conditions existing at the time. It seems reasonable, however, to expect that no such union would be organized at all unless the jobs or pay levels of those middle-management executives were threatened. A flood of cut-rate job applicants might make job holders uneasy. Or perhaps the promotion rate of young executives would prove to be far below their expectation level.

"Since population trends indicate that both conditions are likely to occur at some point during the coming decade, top management in the not too distant future may well find itself coping with the ultimate weapon of self-interest — collective bargaining — among its executive personnel."

WOMEN

In "men's" jobs

Women are moving in greater numbers into jobs once considered suitable only for men in the United States.

U.S. Labor department statistics show that at the end of 1975, women held about 18 per cent of all blue-collar jobs. In 1960 they held only 14.9 per cent.

Assistant Labor Secretary William Kolberg says they're working in "practically every type of occupation that was once the private domain of men, whether it's subway construction, bridge building, boilermaking, bulldozing, truck driving or running big newspaper presses—all tough and dirty or dangerous jobs."

BUSINESS

Women directors

More than 200 women are directors of 239 major United States corporations, according to a list published in *Business & Society Review*. Fewer than one third of them, however, come from the corporate world, and almost all of them were appointed in the past three years. Before 1972, only a handful of corporate boards had women members, frequently relatives of company founders or presidents.

THE ILO

Canada's stance on health and safety

A document entitled *Where Canada Stands* is available free from the Canada Department of Labour. It discusses six International Labour Organization conventions on occupational health and safety — radiation protection, benzine poisoning, occupational cancer, guarding of machinery, maximum permissible weight, and hygiene in commerce and offices.

An introduction describes ILO's activities in setting standards, and separate chapters summarize the conventions and describe the extent to which various Canadian jurisdictions comply with them and the action required in each jurisdiction to achieve compliance.

Volume 2 contains the full text of the conventions and a more detailed analysis of Canadian legislation.

THE ECONOMY

Tripartite policy-making a long way off — Malles

The road to "consensus" policy-making in Canada may be a rocky one, a report for the Conference Board in Canada finds.

Nevertheless, there are grounds for seeking "more mature, more co-operative ways," of solving the country's economic problems, writes Paul Malles in *The Road to Consensus Policies: Challenges and Realities.*

The report discusses "tripartism" and the possibilities of consultative arrangements for achieving consensus among the major "social partners" — labour, business and government. It notes many institutional barriers — federal, provincial, and municipal governmental jurisdictions; wide regional diversity of geography, climate and resources; and in the private sector, only a limited organizational base for business and labour, with neither base having the power to commit its constituents.

"The habits of co-operation and collaboration that developed in Europe during the postwar period are largely lacking in this country, reflecting the absence of the kinds of powerful unifying forces and motivating factors which emerged in Europe during and following the War," the report notes.

Yet, Canada's economic problems have multiplied — unemployment, inflation, balance of payments, cost and price competitiveness, concern about disincentives to investment, the prospect of energy shortages, and, above all, the possibility of a less-rapid rate of economic growth in future.

Malles says this could result in an intensification of the struggle for income shares, more social divisiveness, and an aggravation of the confrontation-adversary style of managing our affairs that has been so typical of the past.

Thus, he concludes, there are grounds for seeking more mature, more collaborative, more co-operative ways of resolving economic difficulties.

UNIONS

New chemical workers' union certified in Que.

The new Canadian Chemical Workers Union has received its first certification in Quebec — as bargaining agent for employees at the Canbro metal powders plant in Valleyfield.

The new union has been established by locals breaking away from the International Chemical Workers Union. The vice-president of the CCWU, Bernard Boulanger of Montreal, was formerly Quebec director for the ICWU.

The disagreement centered on a rise in international union dues and resistance from the international leadership to proposals for a merger with the Oil, Chemical and Atomic Workers International Union.

LABOUR LEGISLATION

Job-site stewards in Quebec construction

Substantial amendments were made to the Construction Industry Labour Relations Act in Quebec as a result of the Cliche commission inquiry into the Quebec construction industry.

Bill 30, which received Royal Assent May 22, 1975 provided — among other things — for election by secret ballot of every job-site steward. These provisions became law September 15, 1976. Every job-steward must be elected by a majority of union members on the job site. An increase of 50 job-site employees who are members of the union entitles the employees to elect one additional steward. The time allocated for union activities may not exceed three hours per working day. Where a longer period of time is necessary, the job-site steward must account for his prolonged absence to his employer.

The amendment provides that the job-site steward may enjoy a preference of employment if he represents seven employees who are members of his union and if there is work to be done in his trade. The steward may also benefit from leave without pay for the purpose of vocational training, under the provisions of the new bill.

HEALTH AND SAFETY

Major diseases linked to industrial processes

A two-year Ford Foundation study concludes that a "significant" proportion of heart disease, cancer and respiratory disease "may stem from the industrial process."

In *Crisis in the Work Place: Occupational Disease and Injury*, published by MIT Press, Dr. Nicholas A. Ashford says that diseases related to work have only recently come to public attention, although there has been a long-standing concern with accident prevention and industrial safety.

Dr. Ashford also contends that action to correct occupational health hazards may create more jobs than it eliminates. He cites the discovery that vinyl chloride could cause cancer of the liver. It was at first feared that banning the chemical would wipe out a number of jobs. Instead, he says, Goodrich designed a whole new technology and fewer than 100 people lost their jobs as a result.

BOOKS

New dictionary of labour terms

Laval University has published a bilingual dictionary defining more than 4,000 industrial relations terms.

The 662-page *Dictionnaire canadien des relations du travail* (Canadian Dictionary of Industrial Relations), is divided into three parts: definitions in French, definitions in English with their French equivalents, and a directory of labour, employer and government organizations.

The dictionary also has a chronology of federal and Quebec labour legislation and important events in industrial relations in Canada and abroad, as well as statistical tables.

The Canadian Labour Congress bi-weekly publication, *Canadian Labour Comment*, describes the dictionary as "the most comprehensive work of its nature ever published in the field of Canadian industrial relations."

It is available from Les Presses de l'Université Laval, Ste. Foy, Québec. The price of the hardcover edition is $30. lg

Industrial relations and the multinational corporation — an international perspective

by Robert J. Davies

Since the late 1950s the absolute magnitude of foreign direct investment has grown rapidly, outstripping both the growth in international trade and world output. Moreover, an increasing proportion of this investment can be attributed to multinational corporations (MNCs). These giant enterprises, the great majority of which are U.S.-based, now account for approximately one fifth of the total output of the non-Communist world.

These developments have raised a variety of complex issues for the governments of both host countries — those in which foreign subsidiaries of multinationals have been established — and source countries — those in which corporate headquarters are located. The challenge of the multinational is not confined to national governments, however. Their global structure and flexibility also poses a significant threat to the power of national labour unions.

In particular, the growth of the multinational corporation has added an international dimension to the variety of traditionally domestic concerns of labour unions. Job security, employment prospects, union recognition are areas where unions are faced with the need to develop a tactical response to an enterprise whose operations are not confined within the jurisdiction of any single labour movement. They are, as one observer has aptly put it, national institutions facing an international challenge, and this fact has given rise to a widespread belief among unionists that the growth of the multinational has brought about a significant reduction in the bargaining power of organized labour vis-à-vis management.

Robert J. Davies is an economist and freelance writer based in London.

Not surprisingly, the corporations do not share labour's conviction as to the adverse effects of the growth of multinationalism. As far as they are concerned, many of the problems alleged to be associated with multinationals have been greatly exaggerated, and this they see as being particularly true in the area of industrial relations. In support of this contention, they point to their record of successful adaptation to local labour relations practices, their payment of above-average wages, and their provision of good working conditions and extensive fringe benefits. In all these areas, moreover, they can cite as confirmation the findings of a variety of studies by such organizations as the International Labour Office.

One of the most disturbing features of the multinational corporation is its apparent power to transfer production from one country to another

Has the multinational threat to organized labour therefore been over-emphasized? For unions in both source and host countries, one of the most disturbing features of the multinational corporation is its apparent power to transfer production, either temporarily or permanently, from one country to another. Used as a temporary expedient, production switching may be employed to lessen the economic impact of a strike on the multinational's operations, and thereby greatly reduce the effectiveness of this weapon as a means of pressing a pay demand or redressing a grievance. Alternatively, production may be relocated on a permanent basis in order to take advantage of lower unit labour costs or weak unions. Indeed, it has been suggested that during the process of collective bargaining the mere threat of a transfer of production may be enough to seriously weaken the union's bargaining position.

Production switching clearly constitutes a potentially serious threat to the authority of nationally-based unions. However, it is important that this threat be placed in its true perspective. While unions maintain that transfers of production have occurred in practice, other commentators have pointed to the obstacles blocking such action. For example, the ability to switch production in the short run clearly depends upon the multinational's product being sufficiently standardized internationally, as well as upon the availability of spare capacity or stockpiles at overseas plants. For some firms the nature of their product may make it relatively easy to switch production from one plant to another, maintain reserve capacity, or accumulate stocks as an insurance against a strike. But for others, rapid switches of production may be difficult, and the cost of maintaining spare capacity or stockpiles prohibitively high.

Account must also be taken of the type of industrial organization that characterizes the multinational. Vertically-integrated firms — those that control successive stages of the production process — may, in fact, be more vulnerable to trade union pressure than the average domestic firm, because a strike at one plant may well deprive plants in other countries of essential raw materials or components.

Similarly, where a firm has rationalized its operations by concentrating the production of certain components at different subsidiaries, a work stoppage at one plant may cause disruption simultaneously in several countries. For example, when Ford of Britain was hit by a month-long strike in 1969 it lost production worth nearly $27 million in Belgium and Germany in addition to the $89 million it lost in the U.K.

Over a period of years a multinational may be able to significantly alter the pattern of its international operations...

Clearly then, the structure of the multinational, the nature of its product, and the international organization of its production process are all likely to be key variables in determining the extent to which it is possible to employ temporary production switching. For this reason, these variables are also crucial in determining the ultimate balance of advantage between unions and management at the bargaining table. Broad generalizations that do not take this into account are therefore likely to be highly misleading.

However, if the ability to switch production on a temporary basis does not extend to all multinationals, this is not necessarily true of their future investment plans. Over a period of years a multinational may be able to significantly alter the pattern of its international operations by building up some subsidiaries faster than others — a prospect that may be used to great effect at the bargaining table. Indeed, the Massey-Ferguson Company of Toronto employed this tactic in 1968 when it threatened to concentrate its future expansion overseas if its Canadian workers continued to pursue demands for equal pay with their U.S. counterparts.

A related cause of concern among labour unions is the stance that a number of national governments have adopted toward multinationals in an attempt to take advantage of their international flexibility in the allocation of future investment funds. For example, the International Confederation of Free Trade Unions — a confederation of the various International Trade Secretariats, which are in turn composed of affiliated national trade unions in specific industries — has expressed grave concern over "the growing practice of governments to indulge in an auction of incentives, offering anti-trade union measures among other inducements in an effort to attract foreign investment." In fact, this statement effectively summarizes the fears of many unionists that multinationals are a potentially footloose breed with a strong affinity for locations where there are low wages, weak unions, favourable tax laws and hospitable pro-management legislation.

Once again, however, generalizations are impossible. Even in the long run a multinational may not be nearly so mobile as is often supposed. Indeed, the shut-down of a plant in one country and the transfer of its production to another may prove to be highly problematical, in practice. In the first place, a company may stand to lose a considerable amount of fixed investment, not only in terms of plant and equipment, but also in terms of trained manpower and customer goodwill. Alternatively, it may find itself liable for the payment of extensive severance compensation.

More importantly, however, when considering a transfer of production, a multinational will certainly take into account not only labour relations and labour costs in the new location, but also such factors as the rate of inflation in the country, its political

stability, the possibility that the firm's assets might be nationalized, tariff regulations, the degree of government intervention and the skill level of the labour force. Moreover, multinationals are only too well aware that over the life of an investment, both labour costs and the industrial relations climate can alter dramatically, thereby negating a decision based on these criteria alone.

Labour unions have always considered it essential that they have ready access within an enterprise to the source of decision-making authority on industrial relations and related issues. Not surprisingly therefore, they have expressed grave concern over the emphasis that some multinationals have placed upon centralized planning and control. The unions see this as effectively removing the locus of managerial decision-making from the individual subsidiary, and argue that not infrequently when demands or grievances are submitted to local management the reply is that such matters can be decided only at company headquarters. As a result, union negotiators are denied the opportunity of personally presenting their case to those who ultimately take the decisions.

Are these claims justified? There can be little doubt that many multinationals prefer to maintain centralized control over certain key decisions, particularly in the areas of investment policy and technological development.

For industrial relations, however, there is evidence to suggest that most MNCs actively pursue policies of decentralization. Indeed, in the industrial relations context it is easy to see why this should be so, for such activities cannot realistically be isolated from the legal, social and political environment prevailing at the subsidiary location, which is likely to vary considerably from country to country. In Canada, for example, the existence of a complex federal-provincial system governing collective bargaining, under which legal control rests largely with the individual provinces, has provided a powerful incentive for multinationals to grant to their Canadian subsidiaries a significant degree of latitude on industrial relations matters.

The unions argue that frequently when demands or grievances are submitted to local management the reply is that such matters can be decided only at company headquarters

Effective access to the ultimate decision-making authority within the enterprise is not, however, the only concern that unions have expressed in connection with centralized control by multinationals. In addition, they consider that this form of decision-making serves also to restrict union access to a significant amount of information that may be critical to the presentation of the union case.

Thus, while the union's detailed knowledge is confined to the local subsidiary, management is in possession of the full details of the firm's international performance. They know, for example, which plants are crucial and which are not, and they know which plants can afford to make significant concessions. Of particular relevance in this connection will be the practices of the multinational in relation to transfer pricing — that is the pricing policy of the firm with regard to its internal transactions — which may be used to give a misleading picture of the actual profitability of a subsidiary, and therefore of its ability to meet a union pay demand.

Finally, we turn to the concern expressed in union circles that MNCs frequently seek to transfer the industrial relations and personnel practices of the home country to their subsidiary operations in other countries. Or, alternatively, that they fail to conform to the established industrial relations practices of host countries. In this connection, particular mention is often made of the reluctance shown by a number of American multinationals in recognizing and negotiating with host country trade unions, most notably in Britain. Rather, these firms sought to adopt a paternalistic stance toward their employees, attempting to check demands for unionization via the payment of higher wages and the provision of fringe benefits superior to those available from comparable British firms.

These cases notwithstanding, most of the available evidence seems to point to the conclusion that multinationals generally prefer to maintain a low profile with respect to the industrial relations practices of host countries. For one thing, with regard to those aspects of industrial relations that are regulated by law in the host country, the subsidiary of a multinational corporation has the same obligations as domestic employers. However, even in discretionary areas multinationals have shown a desire to adapt to the local industrial relations

environment. Management representatives, for example, while acknowledging that some errors may have been made in the past, have argued that the importance of respecting the law and practices of host countries is now generally recognized by multinationals. Indeed, this view is largely supported by the British Trades Union Congress, which has observed that "most international companies pursue industrial relations policies acceptable to the trade union movement, and at least no worse than those of many British-owned companies."

Though this list of trade union concerns over the operation of multinationals is far from exhaustive, enough has been said to illustrate the nature of the problem. In some areas both the size and extent of the threat have been exaggerated. Multinationals do seem to have made an effort to adapt to the industrial relations climates of host countries, and also appear eager to pursue policies of decentralization with respect to industrial relations matters.

In other areas, trade union concern seems well founded. There can be little doubt, for example, that national unions frequently find it extremely difficult to gain access to a significant amount of relevant information on the overall operations of multinationals — a fact which must detract from their bargaining position. In the area that is probably of greatest concern to unions, however — that of production switching — firm conclusions one way or the other are impossible. For while the potential mobility of many multinationals has undoubtedly been exaggerated, the fact remains that for a significant number of trade unions the threat of a relocation of production, be it temporary or permanent, constitutes a challenge.

By way of response, trade unions have adopted a variety of tactics specifically designed to counter the challenge to their bargaining position. Most prominent among these have been the exertion of pressure on national governments for the introduction of protective legislation, and the development of various forms of internationally co-ordinated collective action.

Before examining these responses, however, it is important to emphasize that the course adopted by national unions will be largely dependent on their individual conception of the multinational threat, and this may vary significantly among the different unions encompassed by the operations of the multinational corporation. For example, unions in source countries are likely to take a view of the desirability of overseas investment by multinationals substantially different to that taken by unions in host countries. To the latter, any such investment implies increased employment and they are therefore unlikely to feel disposed to act co-operatively to prevent a company from expanding their own employment prospects, even though this is being done at the expense of other employees of the same company. Indeed, the existence of such potential conflicts of interest has led a number of

Multinationals and the OECD

The recently-published OECD code of conduct for multinationals makes a variety of recommendations covering all the areas of greatest concern to unions. Namely, that multinationals should:

- respect the employees' right to unionize, negotiate with their representatives and provide them with the information needed for serious negotiation;
- provide them with information enabling them to obtain a true and fair view of the company's performance — where this accords with local law and practice;
- at least match the employment and labour relations standards of comparable employers in the host country;
- not threaten, in the context of labour negotiations, to transfer operations elsewhere;
- provide employees with reasonable notice of major changes such as closures, and do their practical best to mitigate the adverse effects.

If, however, unions are looking to this code as a possible indication of concerted action by OECD member countries, they are likely to be disappointed. The code includes nothing in the way of enforcement machinery — although an OECD committee will periodically review the situation and may invite multinationals to give their views. Strangely, however, it has not seen fit to extend the same privilege to trade unions.

source country labour representatives to suggest that the obstacles to the international pursuit of common objectives by unions are so great as to be virtually insurmountable, at least in the short run. For this reason they have strongly advocated legislation as the only really effective means by which source-country unions can tackle multinationals.

Given that U.S.-based multinationals are one of the largest sources of direct foreign investment it is perhaps not altogether surprising that American unions have sought to achieve their objectives largely through legislation — and more particularly protectionist trade legislation. Thus, the AFL-CIO assigned the highest priority to the Burke-Hartke Bill as a device for controlling the multinational firm. This bill included among its provisions the imposition of import quotas to protect domestic industry as well as certain proposals for changing the tax treatment of multinationals. However, while protectionist measures such as these may be successful in safeguarding U.S. jobs, they are also likely to adversely affect the employment prospects of workers overseas. Once again, therefore, there is the potential for inter-union conflict.

Indeed these conflicts may even arise within unions themselves. For example, some 70 per cent of organized Canadian workers belong to unions affiliated either directly or indirectly with American labour organizations, and the jobs of these workers could easily be threatened by U.S. protectionism. It is not surprising therefore, that some U.S. unions with Canadian membership sought to enlist AFL-CIO support for Canadian exemption from the quota restrictions specified in the Burke-Hartke Bill, albeit without success. As

Unions claim also that multinationals frequently seek to transfer the industrial relations and personnel practices of the home country to their subsidiary operations in other countries

one observer put it, "it is hard to see how a U.S. administration could exempt prosperous Canada from a change in tariff policy designed to keep out goods from developing countries."

Protectionist legislation, however, is only one of the several possible courses that may be pursued via legal enactment. Moreover, these alternative courses are generally less contentious to unions in other countries. For example, European unions have pressed for the inclusion of a clause providing for worker representation in the management structure in recent European company legislation. While a number of British trade unions have successfully exerted pressure for disclosure of information legislation as a means of gaining forewarning of impending investment decisions.

In many respects, however, the most obvious union response would be the eventual creation of international unions to match the global flexibility of the multinational corporation. But while the presence of the multinational provides a distinct incentive to such a development, there also exist a variety of significant constraints on international union co-operation and co-ordination. We have already noted the possibility that the interests of unions in different countries might conflict, but in addition to this, factors such as differences in ideology, differing degrees of centralization in union structure, different patterns of collective bargaining in different countries, and different laws governing employment, and arbitration procedures, not to mention a host of potential language barriers, will also serve to frustrate international co-operation.

Despite these obstacles, progress has been made toward trade union co-operation and co-ordination on an international scale. Thus as the multinational has become a more visible force in labour-management relations, organizations such as the International Metalworkers Federation (IMF), and the International Federation of Chemical and General Workers

The course adopted by national unions will be largely dependent on their individual conception of the multinational threat

Union (ICF), have assumed the role of stimulating co-ordinated action by affiliated national unions in their dealings with multinationals. The IMF, for example, has been responsible for the formation of the World Auto Councils, which now cover workers employed by the automobile industries in the United States, Canada, West Germany, Japan and the United Kingdom, while the ICF has established international committees parallelling MNCs such as Dunlop-Pirelli, St. Gobain, American Cynamid, Hoechst and Ciba-Geigy.

Useful though these developments are, however, their scope has been limited. In practice, most of these organizations have confined themselves to activities such as the compilation and dissemination of information on multinationals, and the provision of expressions of mutual support. But there have been exceptions. Most notable among these was the successful co-ordination of unions in eight countries — France, U.S., Germany, Italy, Belgium, Norway, Sweden and Switzerland — by the ICF against St. Gobain, the French glass-making subsidiary, in respect of a pay settlement — a case which has now become part of the folklore of international unionism. Reference might also be made to the joint action of Canadian and American auto unions to secure wage parity in Chrysler plants on both sides of the border, or to the action taken by Belgian, Dutch, and German auto workers in support of a strike by Ford U.K. employees in 1971, during which they refused to work overtime made necessary by the shifting of production from Britain to the Continent.

These examples illustrate that trade unions are capable of mobilizing themselves on an international basis to combat specific grievances with multinationals, even though their responses have often been largely defensive and essentially ad hoc in nature.

In many respects the most obvious union response would be the eventual creation of international unions to match the global flexibility of the multinational corporation

However, some progress has also been made toward co-ordinated consultation on a more permanent basis. For example, the European Metal Committee (EMC), formed by the IMF, has had extensive and continuing discussions with Phillips, the Dutch based electrical and electronics multinational, on such issues as production switching, worker retraining, profit transfers, and the responsibilities of subsidiary management vis-à-vis those of the present company. But attention must also be drawn to the difficulties faced by the EMC in co-ordinating the actions of the various unions associated with Phillips. Not all these unions are affiliated with the IMF, and experience has shown that communist unions in particular are frequently unwilling to accept a participatory role in deliberations with the company.

In many ways this last point effectively sums up the problem facing the union movement in its attempt to develop an internationally co-ordinated response to multinationals. Whereas in an international company there is a central headquarters responsible for identifying and sustaining the corporate interest, in the trade union movement the ultimate authority rests with the individual national unions. Thus, before international unionism can be treated as a realistic possibility, national unions will have to demonstrate that they are capable of subordinating many of their national concerns in the name of international solidarity. While some progress has been made, one could perhaps be excused for wondering whether, in the final analysis, trade union concern over the operation of multinational corporations extends quite that far. lg

The impact of the multinationals on industrial relations practice

by Everett M. Kassalow

The investment of capital abroad either by individuals or private companies is an old institution of capitalism. Indeed some of the earliest settlements and enterprises in North America stemmed from the activities of investors in Western Europe. But the multinational company — one which invests abroad directly in the same lines of production it has developed at home — is a more modern affair. It dates, very largely, from the rise of great industrial corporations in the late nineteenth and twentieth centuries.

It is important in this context to distinguish between "mere" foreign investment and multinational company investment. Thus, the long standing investments of Europeans, especially British, French and Dutch, or Americans, in plantations, mines or utilities in Asia, Africa or Latin America are not to be confused with the investments of what we refer to here as multinational companies (MNCs). For our purposes, the latter include only those companies that begin with an operating economic base at home, and then invest abroad in similar or related facilities. For a variety of reasons, most research on the industrial relations activities of multinationals has been devoted to industrial firms, although many important banks, hotels and other service companies are already widely multinationalized in their operations.

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It must be added that the distinction between the industrial relations practices of multinationals and their social, economic and political impact is at best artificial. For example, much of the reaction by trade unions to their industrial relations "partners" or counterparts, the MNCs, stems from the *general* social and economic impact of the latter. Certainly, if one could understand the great volume of speeches and resolutions emanating from labour union quarters criticizing and at times openly attacking MNCs, one must go beyond their industrial relations experience.

Unions abroad from time to time react bitterly to some of the industrial relations' practices of U.S. corporations, but their highly critical attitudes toward these companies are also explained by incidents such as ITT's political activities in Chile, the evasion of taxes and other economic controls by multinationals through the use to transfer pricing and other accounting and fiscal devices, and the recent disclosures of large scale bribery of host country officials by some U.S.-based companies in the latters' quest for contracts, sales and other concessions abroad. It is the belief that these companies may lie beyond effective control, beyond the national sovereignty of the host country, that helps account for union concern about them.

The multinationals' impact in the labour field also poses new and serious problems for trade unions. The very structure and many of the basic characteristics of such companies bring a new force to bear upon industrial relations systems.

U.S. companies are by far the largest direct investors abroad. As the main centre of Western capitalism, the United States and U.S.-based companies also become a likely target for many of the socialist oriented union movements in other countries.

But it is not the sheer size of the country's investments that seems to make so many U.S. companies a magnet for attention by unions in many host countries. U.S.-based companies' subsidiaries also attract union attention or criticism in host countries because of special industrial relations factors.

For example, when compared with most West-European-based multinational companies, U.S.- based firms operate *at home* (i.e., in the U.S.) under a "system" of union recognition that is more or less unique (Canada, too, would fall into the same category) among developed industrial nations in the West. In Western Europe, union recognition is extended more broadly (and more easily) by employers' associations, which

usually embrace all large and even most medium-size companies, and rates of unionization tend to be higher than in the U.S. The British Trades Union Congress ascribes the union-recognition problems its affiliates sometimes encounter with U.S.-based multinationals to the situation in the U.S. "where only 22 per cent of the labour force is unionized, against 42 per cent in the United Kingdom." In addition, the TUC declares that U.S. firms "operate at home under National Labor Relations Board regulations and are accustomed to delaying recognition until they are legally obliged" to do so by the NLRB. This "contrasts with the 'voluntarism' of British industrial relations."

Union recognition is not the only institution that may seem alien to a U.S. company newly operating in Western Europe. The practice of belonging to and permitting an appropriate employers' association to do most of its important collective bargaining is sometimes hard for a U.S. (or Canadian) firm to swallow.

By comparison with most host-country firms, U.S.-based multinationals have better developed personnel policies and practices. They have developed their own fringe-benefit programs, job-evaluation plans and grievance-handling systems, and this also makes them more reluctant to delegate their bargaining and related functions to associations. In Europe, however (with the exception of Britain where the industrial relations system is more voluntaristic), all but a few large U.S. firms have by now become members of the important employer associations, although they retain a number of their own policies and practices, and their own styles of operation.

In a number of Asian and African countries, especially in some of the ex-British colonies where employers' associations have continued in the post-colonial period, U.S. firms are generally strong and active supporters of these associations, along with West European firms for whom such membership is an easy enough extension of their home experience. All but a few U.S. companies, however, do their own bargaining in these countries.

...the distinction between the industrial relations practices of multinationals and their social, economic and political impact is...artificial

Japanese firms, which have expanded rapidly in Asia in recent years, are less conspicuous in their affiliation to, or in their activity within such associations. Here again it would appear that very special labour-management institutions, including preference for the so-called enterprise unionism of Japan, help account for these signs of separatism.

To put it another way, the industrial relations "cultures" of both Japan and the U.S. differ sharply from those of West European countries whose IR cultures more generally resemble each other, relatively speaking. One would, therefore, expect U.S. and Japanese multinationals operating abroad to be somewhat more inclined to bring some of their labour practices with them. Finally, the relatively larger populations of the U.S. and Japan — compared to individual West European countries — and the size of their domestic markets tend to make their multinationals look upon overseas subsidiaries as mere extensions of the domestic market. Under these circumstances, Japanese and U.S. multinationals are likely to exercise control over their subsidiaries or at least export some of their labour practices to the subsidiaries, while most European-based multinationals are likely to adapt to local host-country practices.

In most parts of the world, especially in Western Europe and large parts of Asia and Africa, there is little argument that the economic benefits established by multinational companies for their employees are at least on a par and often superior to those of indigenous (national) employers. Yet despite this relatively fair benefit level in most multinational subsidiary plants, the MNCs continue to be criticized by the very unions that deal with them. For instance, during the opening round of reports to the 1974 Congress of the International Metalworkers' Federation (IMF), almost every national metal union affiliate of the IMF, from virtually all the important countries of the free world, included some significant reference to and criticism of multinationals. To understand union criticism, it is necessary to probe deeper into the nature of the multinational.

The MNC is often characterized by its distinct "style" and philosophy, as well as by some of the unique features it brings abroad. Almost by its very nature the multinational comes as an "innovator" in its foreign environment. One important reason that a host country will accept the entrance of a foreign firm is that the latter usually brings with it some techniques, some organizational or marketing skill that is largely lacking in the national environment. John

Fayerwether, an expert on international management writes that multinational enterprises must be "anxious to introduce innovations" inasmuch as the "competitive situation inevitably requires departure from local norms...." He adds — in his book, *International Business Management* — that "the main competence of the multinational must rest on its parent-company experience...."

Such special "features" almost always include some of its labour practices or policies. These may, in some instances, be superior to local practices, but they are also likely to be somewhat different and to ruffle the union forces somewhat. This reaction is likely to be more pronounced for the union that has a wider, more standard set of practices against which to measure the multinational, than for the individual worker in a multinational plant. Needless to add, this may not make the union any happier, quite the contrary. A University of Louvain study of multinationals in Belgium concludes that the "human relations" practices of many of these companies added to the relatively good "conditions offered to workers by the foreign employer makes inoperative a good number of material demands that constitute one of the most important elements of working class unity...[these] can encourage a certain disaffection of workers toward their [union] organization." In several West European countries, unions are convinced these multinational company programs are designed to weaken or to ward off unions entirely.

What then are some of the specific practices and policies more or less unique to multinationals that make them the likely target of union criticisms?

Japanese and U.S. multinationals are likely to... export some of their labour practices...while most European-based MNCs are likely to adapt to host-country practices

It is widely agreed that the general investment parameters, the major decisions to expand or contract, are determined by the home offices of multinational companies. Naturally there is usually some input by the subsidiary, and if the latter is selling exclusively in the host-country market its judgment will count for more than if it is part of a world- or region-wide integrated production system; but the critical, major resource or investment allocation decision is typically taken "at home."

For many unions in host countries, the lack of contact with the central home office is a problem. The feeling that operations can be closed down arbitrarily, on short or almost no notice, with the unions in overseas subsidiaries having little or no voice, is one of the deepest sources of labour concern.

It can be argued that a somewhat similar situation confronts a union dealing with a multi-plant employer operating on a national basis. After all, one out of a series of plants in a given country can be closed down in whole or in part by a large company operating in just that one country. But this analogy won't hold very well. The unions, especially in Western Europe, often find they can (and do) bring many pressures to bear on a national employer who contemplates or announces such a shut-down. Frequently the government is brought to soften or prevent a contemplated shut-down by a nationally-based employer. The occupation of plants in an effort to obstruct or prevent shut-downs — which has become a fairly common tactic in Western Europe — is likely to be more effective against plants owned by nationally-based companies.

The multinational's facilities in a given overseas country may count for only a relatively small portion of its total production complement, so the decision to shut down can be taken more readily. A report in the *Financial Times* on how labour disputes in the motor industry in Great Britain were leading one U.S. company to contemplate switching production elsewhere supports this fear on the part of unions — and some governments.

The journal commented:

There is a sense in which the United States companies are less deeply committed to the United Kingdom as a manufacturing base; as a proportion of their world-wide operations the United Kingdom is relatively small....

Being only one part of a multi-limbed MNC can lead to a feeling of frustration on the part of unions coping with multinationals. Daniel Benedict, an official of the International Metalworkers' Federation reported:

'How effectively can we bargain when we only represent 4 per cent of the company's employees?' That is the question that was put to us at our ITT workers' world meeting last year by the president of the American bakers' union, which represents the workers of ITT's Continental Baking. Of course, the same question is

apparent to trade unionists representing workers in the smaller subsidiaries of major multinationals all over the world. Even the powerful unions that represent Vauxhall and Chrysler workers in Great Britain know they only speak for about 5 per cent in the first case and a bit over 10 per cent in the second case, of the companies' world workforce.

The fears unions express about the dangers of plant or department shut-downs, or the curtailment of future investment on the part of multinational managers may be as much a psychological factor as a reality. Most multinational companies deny strongly that they can easily transfer production either temporarily — in the case of a strike — or permanently as a retaliatory measure. They argue the location and availability of raw materials and the cost of transportation, the presence of market or tariff barriers, the variation in production facilities, the time required to invest in new facilities, the costs of liquidating large investments — these and other factors would impose an enormous financial penalty for any closure or reopening of factories.

In some industries — food manufacturing would be a good example — national regulations might even make it technically impossible to shift facilities from one country to another. This would be particularly true with regard to a number of food products manufactured in Western Europe.

While reports of actual production transfers in pursuit of management objectives in a labour dispute are comparatively few, there have been just enough incidents to reinforce union fears in this regard. Probably the most well-known of these have involved U.S. auto companies. One such case occurred in the 1971 Ford strike in Great Britain. That strike was just underway, when Henry Ford, travelling in Asia, was reported as saying that the parts of the Ford Escort and Cortina cars made in Britain and assembled in Asia would no longer be made in the former country. The London *Times* reported his "dissatisfaction...with the British [Ford] company's situation...." Unless there was "stability over a long period, such as three or four years," Ford "could not consider making any new commitments in Britain. Things needed to be cleared up and trade union relations improved...."

For many unions in host countries, the lack of contact with the central home office is a problem

Several additional "incidents" or "comments" in later years have helped keep alive British union suspicions about the Ford company's investment and production plans for that country.

In Belgium, according to the *Wall Street Journal*, the Ford motor company reported that the refusal of unions to relax "strict rules on overtime scheduling," might force them to "shun Belgium for future expansion."

During the course of a difficult strike in Britain in 1973, the Chrysler company gave a warning to the workers which, in the words of *The Economist*, was "stronger in terms than Henry Ford II's warning in the 1971 strike...." Apparently the company told its men "there would be no more investment until they showed over a reasonable period that they could sort out their differences with the management...."

These incidents usually occur in an atmosphere of high industrial relations tension. It is not always clear whether "production" reprisals are actually taken by a multinational company; but they have occurred occasionally, and the threats have at least been made in enough cases, so that many unions seriously fear this as an MNC labour relations tactic.

Beyond questions of production transfers and shut-downs as a management tactic in labour disputes are the basic union fears about investment decisions in distant company headquarters. These decisions can and do have far reaching employment effects. As much as anything else, it is this special fear of employment insecurity that accounts for such transnational control efforts and aspirations as unions have manifested vis-à-vis multinational companies in Western Europe.

In those relatively few cases where various national unions, usually operating through international or European-wide trade union secretariats, have been able to obtain meetings with multinational companies, such as those in Europe covering Philips Electric, Fokker-VFW (a German-Dutch aircraft producer), Rothmans International (a tobacco-producing division of the Rupert-Rembrandt South African-based company) or Enka-Glanzstoff (AKZO) the Netherlands-based fibre manufacturer, questions about major investment decisions and their consequences for employment security have generally been at the top of the agendas.

In their meetings with Philips, the unions have been seeking to develop more effective employment security guarantees on a

European-wide basis. The unions in Enka-Glanzstoff were led to take transnational action when the company moved to consolidate and shut down some of its operations in different countries. At the centre of Fokker's joint discussions with its unions from Germany and the Netherlands have been questions of employment security, including moving workers from one country to another as well as the possible transfer of operations between countries to prevent unemployment. The impact of new machinery upon employment was a principal concern of the unions in the meeting with Rothmans.

In addition to concern about centrally determined employment policies, there is widespread union (and often government) concern about what they find is a lack of sufficient information about most multinational companies. A Dutch Catholic trade union leader, W.J.L. Spit, summed this up by declaring, "the weakness" of unions vis-à-vis multinationals was "due in particular to our defective knowledge of the structure of these corporations...their decision-making centres and decison-making procedures...." He complained at a symposium in Nijmegen three years ago that unions lacked "insight" into the "criteria that prevail in management and long-term planning" of multinational companies.

The French Confédération Générale du Travail (CGT) complains that with present multinational practices, "the information furnished to works committees, for example, is devoid of useful content."

The information gap with regard to multinationals is so large in the view of the powerful German Federation of Trade Unions (DGB), that the latter has declared it

Most MNCs deny strongly that they can easily transfer production...as a retaliatory measure

"indispensable" to compel large companies "to comply with certain requirements and standards in the matter of information...." While voluntary agreements can be helpful, the DGB calls for "international and national regulations and legislation" to achieve this objective (and other objectives vis-à-vis multinationals).

Even in West European countries where corporation reporting is adequate, there has been a widespread feeling among unions — and often governments — that too much of the multinational company's operations and performance remain hidden, just because so much of it lies outside the country.

The International Metalworkers' Federation (IMF) has prepared a special study on the information it declares is needed to help cope with the MNCs — for example, specific data on shareholders; all overseas holdings and links; names and locations of all plants and types of production; extensive financial data, including profit-and-loss data on an individual subsidiary and on a consolidated basis; employment by establishment broken into manual and non-manual, skills, indigenous and non-indigenous personnel; and so on.

The lack of information on the unions' side, of course, also runs to specific questions about wages, working conditions and collective agreement practices in the multinationals' plants in other countries.

The centralization of the investment-employment function at a headquarters outside the host country clearly differentiates the multinational from national enterprises in the same country. Harder to conceptualize but related to this factor are some other centralized aspects of structure and function that add up to what often becomes a distinctive style and philosophy of multinational companies. One student of multinationals, Pieter Hessling of Rotterdam University, notes how "from multinational headquarters certain values, attitudes and assumptions seem to be disseminated which form a layer upon the national culture and create a new identity for the bearers."

These MNC styles or values can be translated in different ways into labour policies abroad. Sometimes the process is a very direct one. Take, for instance, the basic matter of union recognition. There have been relatively few instances, in the past couple of decades, where multinational industrial companies' subsidiaries in Western Europe have manifested great resistance to recognition of unions in their plants (such resistance would be quite contrary to prevailing patterns of recognition of unions in large or even middle-size industrial firms in Western Europe); but where recognition has been refused or held up a long time, it has very often been a multinational that has not recognized unions, or recognized them only after a long struggle in all or most of its *home* country plants. Eastman Kodak, IBM and Texas Instruments come to mind in Great Britain, IBM and Esso in Holland, Michelin in North America, and so on.

In Singapore and Malaysia, where union recognition in large multinational plants has ordinarily not been a serious problem, it is signi-

ficant that unions have experienced conspicuous recognition problems at one time or another in multinational electronic plants of such companies as Texas Instruments, Hewlett-Packard and Motorola. All three companies have presented formidable problems to unions trying to win recognition in their U.S. plants.

To turn from these specific, difficult cases of union recognition, it is perhaps more important to focus on the general question of multinational company style and policy-making, and how it may be projected abroad.

We have already alluded to the fact that the more "distinctive" industrial relations cultures or systems of the U.S. and Japan make it more likely multinationals from these countries, as compared to Western Europe, will project some of their labour practices abroad.

Of course, the extent of company style, structure or policy projection varies from country to country, from industry to industry, and even among companies in the same industry. Many Swedish or Swiss multinationals, such as Nestlé or SKF, based as they are in small countries, almost inevitably do the great bulk of their production abroad, with only a relatively modest domestic production base. Companies like these are likely to be more adaptive to host country conditions than are such U.S. giants as General Electric or Ford, whose home markets are an enormous part of their total world business. The fairly standardized technology of petroleum refining companies or of the automobile industry make it more likely that multinational companies from these industries will "lean more heavily" on subsidiaries than might ordinarily be the case with MNCs producing food or light electronics. In the latter industry the more labour intensive character of the work can lead to greater freedom for adaptation on the part of local (host country) multinational subsidiary management.

There are also, of course, variations in MNC practice stemming from the more or less unique features of particular companies. The personal "family touch" of the Fords seems to leave its imprint on that company's overseas operations to a greater extent than might be the case with General Motors. The latter seems to project abroad more of its early established system of greater divisional decentralization. (GM, quite unlike Ford, was largely put together through a series of mergers of previously independent companies.) Overseas, at least in Western Europe, GM has often been much more willing than Ford to begin operations by absorbing an already existing local operation. (The cases of Vauxhall in Great Britain and Opel in Germany come to mind.) In their labour policies, too, one gets the impression that the Detroit touch is more evident in some of Ford's operations than it is in GM's.

While these variations are important, the generally similar traits and tendencies of most MNCs are of greater interest in a discussion of multinational labour relations.

MNCs usually have highly developed internal communications systems to help keep control over worldwide operations. Often their rules and regulations will be more standardized than those in purely national companies. The use of worldwide policy manuals or guides is also fairly common, particulary among some U.S. multinationals.

In almost all countries, employer associations agree that multinationals have much larger training programs than do indigenous (national) companies. Moreover, these programs are often carried out on an in-house basis — they do more training *themselves* than do many indigenous companies, which commonly use external facilities. Aside from extensive training in host countries, many multinationals call managerial personnel home for individual or group training courses. Periodic meetings of managerial personnel on a regional or international basis are quite common. Visits by home-company managers to subsidiaries are also important in sensitizing subsidiary managers to home-office policy.

An authoritative study of U.S. auto companies' labour relations management abroad indicates such visits, whether by overseas managers to the U.S. or by U.S. managers to overseas plants, are an important part of management development. In the case of Chrysler, the foreign industrial relations manager visiting the U.S. learns first hand the manner in which the parent corporation handles its own labour affairs. The Chrysler Corporation personnel group tries to give the visitor as broad an exposure to its internal operations as time will allow.

As for Ford, a certain amount of training activity consists of visits to the foreign subsidiaries by U.S. technical and managerial personnel to assist local managers in their labour-relations administration. For example, in 1967 a Ford-U.S. actuarial expert provided on-the-spot assistance to the Netherlands subsidiary when the latter was revising its retirement benefits program. A Canadian subsidiary also reported a considerable amount of consultation with U.S. technical and

managerial personnel as various problems arose. The Ford-U.S. overseas labour liaison manager makes visits abroad that help to keep the U.S. manager up to date; but because labour relations problems and their solutions are discussed at each of the subsidiaries he visits, there is quite naturally a management development dimension. Labour relations managers from overseas plants also frequently visit Ford headquarters.

Robert Copp, one of Ford's top international labour relations executives, sums up this general process by noting that top corporate staff "share in the selection of key industrial relations personnel to assure their training and experience would prompt them to pursue broadly accepted principles of employee and trade union relations...." New industrial relations managers also spend time in a Ford plant (other than the one in which they are to be employed) "to observe the application of approved principles and philosophies...."

As practised by many multinational companies, systematic rotation of overseas managerial personnel from country to country facilitates a common exchange of experience and the emergence, to an important extent, of a common company style or policy. The International Organization of Employers' survey of multinationals cites the rotation of managerial personnel "not only between parent and subsidiary but from one subsidiary to another...."

All these practices help achieve a broadly consistent policy. Jack Belford, vice-president for personnel and industrial relations in the Canadian-based multinational Massey-Ferguson, has stated that "without basic corporate policy — a 'grand design' for the enterprise as a whole — and consistent functional policy subsidiary to it, a truly integrated worldwide enterprise cannot be built." He adds there are "particularly compelling reasons for common industrial relations policies at all locations in the international enterprise." Belford is obviously referring to larger matters, since there is, of course, inevitable adaptation to many local host country practices, especially in Western Europe. Among the "compelling reasons" he mentions is the rapidity of communications today, which enables unions in one country to learn of company practices elsewhere.

...there has been a widespread feeling among unions — and often governments — that too much of the MNCs operations and performance remain hidden

The foregoing describes a system of surveillance or control by multinationals of subsidiaries' labour policy, which is somewhat remote and often unconcerned with routine day to day or even week to week industrial relations decisions, which are taken abroad. It should be noted that in the case of Canadian subsidiaries, U.S. multinationals often participate more directly and fully in plant personnel direction. Whether this is because of proximity, the interrelatedness of the companies' products in the markets of the two countries, the fact that the U.S. company often faces the same union on both sides of the border, or for other reasons, supervision over Canadian subsidiaries' personnel management tends to be closer than elsewhere.

Duane Kujawa writes of the Chrysler Corporation that the parent corporation's "vice-president and industrial relations director...these two U.S. executives, are intricately involved in Canadian labour relations affairs, and are outrightly acknowledged as members of the local [Canadian] management team." He adds that they also "administer the final step in the grievance procedure at offices in the United States." When it comes to staffing "first-line" personnel management positions, the "entire selection process" is "fully contained at the subsidiary level," but the "one exception to this is that candidates for such positions at Chrysler of Canada may be recommended by the U.S. vice-president, personnel...." Labour relations managers are usually nominated at the subsidiary level, but, "in Canada, recommendations from the U.S. vice-president, personnel, are automatically offered."

While Kujawa's study of labour relations management at GM, Ford, and Chrysler suggests that the hand of U.S. management in Canadian subsidiaries' personnel direction is not quite as large at General Motors or Ford as it may be at Chrysler, it nevertheless goes well beyond what is the case at subsidiaries in other parts of the world. For some multinationals outside the automobile industry, there may be somewhat less participation in their Canadian subsidiaries' personnel policies, but it nevertheless often goes well beyond what happens at subsidiaries in other parts of the world.

Most multinational companies, particularly U.S.-based MNCs, have a more highly developed personnel function or department than is

typically true of host-country-based companies. Often, too, such personnel departments — especially among U.S.-based companies — will practice brands of human relations programs directed at winning the special loyalties of their employees in a manner which is much less common among national companies. Once again this is an element which tends to leave a multinational company's special imprint everywhere on its handling of labour relations.

One of the "results" of the more highly developed personnel functions found in so many multinational companies is apparent in job and wage administration. Again and again unions at multinational subsidiaries in Western Europe, Asia and elsewhere have encountered what has often seemed to them to be "exotic" job evaluation or job grading systems developed in the multinationals' home country. There is wide expression among union and employer association officials in host countries that multinational companies often have more highly structured job and wage systems than is true for the great bulk of national companies.

Wage systems that are special to multinational companies no doubt reflect the MNCs' own long experience, their peculiar technologies and internal job administration. The extension of these systems abroad represents both an effort at some degree of control by headquarters as well as a conviction that these systems are a superior form of labour force organization.

For many unions, such more or less "exotic" wage systems can be a difficult problem. In some instances, companies have refused to make the basis of their system available to the unions, and this has made bargaining difficult.

...supervision over Canadian subsidiaries' personnel management tends to be closer than elsewhere

A large number of multinational subsidiaries also carry abroad some of the special "fringe benefit" programs developed by their parent firms at home. This is especially true of U.S. firms. Payment of special company-type fringe benefits is more noteworthy today in less developed countries than in Western Europe, where extensive postwar development of social security and related programs tends to diminish the importance of many company fringe-benefit programs. But such programs often are a differentiating factor between multinational and national companies in a given host country.

More highly developed personnel departments, special wage administration and benefit programs, special human relations programs, special training programs — in and of themselves each of these might not be an important cause for union concern. When these elements are combined, as is frequently the case at multinationals, the unions in Western Europe often find they are encountering a new and very different kind of organization.

From the union viewpoint, the whole of this syndrome makes the multinational company harder to penetrate in terms of union power and union representation than is typically true of a national company. The multinationals in France and Belgium have been described — independently — by a number of trade unionists as practicing a kind of "patriotisme de l'entreprise," which has made it difficult for unions to obtain a real foothold within them. While this sense of being shut out by many multinationals seems more pronounced in countries like Belgium, France, The Netherlands, and Britain, it is not absent in other West European nations.

By adding the experience with integrated, almost fortress-like multinationals to the concern about remotely made investment-employment decisions as well as the widely felt lack of information, one can readily understand the reactions of many West European trade unionists — and some government officials — to multinational companies.

Reactions among trade unionists in other parts of the world are similar in some respects, different in others. In Asia and Africa there is less basis for comparing the personnel styles and practices of multinationals since there are few if any comparable national companies. Unionism and industrial relations practices are often less well founded there, have less of an institutional tradition, so multinational companies may not seem as "bruising." On the other hand, in a number of Latin American countries whose union traditions are somewhat older and better established than may be true in Asia, there have been a number of specific cases where multinationals have refused effective recognition to unions, or granted it only after a long struggle. In turn, this has aroused bitter union reactions. The multinational companies in Latin America are also often identified with existing national oligarchies, and have come under attack because they are identified with imperialism.

The more central role of the state in the relatively later-developing countries of much of Asia, as compared to most of Latin America, has also created a somewhat different environment for the multinationals. In many instances, the state has bargained carefully on the multinationals' terms of entry, including the rate of localization of key managerial and technical personnel, pledges by the companies to keep out of the country's politics, and so on. In a few countries, like Singapore, the government also makes it clear that multinationals must be prepared to recognize and deal with unions. At the other end of the spectrum, a country such as South Korea has almost eliminated any real union functions in its effort to accelerate economic development and attract foreign investment.

The leader of the Singapore National Trades Union Congress, Devan Nair, states that in Singapore some American multinationals "who demanded, as a pre-condition for their investments that there should be no trade union for their employees, were politely told to go elsewhere...." He adds, "they did," so, "either to South Korea or Taiwan, whose administrations happen to regard the right of workers to organize in a somewhat different light."

Nair's remarks point up the potential differences between countries' policies regarding "reception" of multinationals. These differences may be great regarding taxation, the host country's willingness to invest in infrastructure, its willingness to modify its labour laws, its tax laws, and so on.

A number of Asian countries, it should be added, compete fiercely with one another to attract multinationals — through tax concessions, special import privileges, the right to expatriate profits, and favourable labour laws where appropriate — for a specified period (often the first five years of the subsidiary's existence, though there are sometimes devices to renew some of the trade or tax privileges).

The size of country and the relative size of the multinational sector in the country are important variables in gauging the companies' impact on labour relations. In small countries like Belgium and The Netherlands, where the multinationals make up an important part of big industries such as metals, chemicals and petroleum refining, their impact is likely to be greater than in a country such as France where the role of multinationals is more limited. There are parallels in the less developed world. In a country like India where there is a great deal of indigenously owned industry, and where multinationals have been quite restricted, their impact upon industrial relations tends to be fairly limited. On the other hand, in countries like Singapore and the Philippines where national policy has turned to a considerable dependence upon and encouragement of multinational investment, and wherein there is a relatively smaller amount of indigenous investment in the modern sector, the multinationals' impact upon labour practices is far more pronounced.

...there are considerable differences in the ways MNCs adapt to the labour systems of host countries

Moreover, there are considerable differences in the ways multinationals adapt to the labour systems of host countries. In West Germany, for example, the wide-ranging legal prescriptions (works councils, labour courts) that guide labour relations leave relatively less room for MNCs to bring much of their home labour baggage with them when they set up in that country. At the other end of the scale, the voluntaristic system of labour relations in Great Britain — with relatively little prescribed by law as regards union-management relations — has resulted in a much wider importation of multinational company labour practices.

In Great Britain, U.S. companies have often refrained from joining employers' associations, and have bargained for their own plants, contrary to prevailing British practice. Also in Great Britain, several important U.S. companies have refrained indefinitely, or for a relatively long period of time, from recognizing unions, even though such conduct is rare for any large British company. It was in Great Britain that several U.S. companies broke from the generally prevailing system of incentive wage payments and substituted their own systems based on production standards. The system of productivity bargaining that, for a time at least, became so popular on the British labour scene, was pioneered by a U.S. multinational subsidiary. These are merely some examples of the relatively heavy impact of multinational companies in Britain.

The strength of unions and employers' associations can be an important variable shaping the degree of adaptation required of MNCs in a given host country. In Sweden, for example, the great strength of the Confederation of Trade Unions (LO — with close to 90 per cent of all manual workers unionized) and the power of the

Swedish Employers' Confederation (SAF), leave multinational employers with little choice but to conform to the basic outlines of the industrial relations' system. When a new, important multinational subsidiary starts to go its own way with regard to union recognition and collective bargaining, as did IBM some years ago, the power of both unions and employers is likely to bring the company around in a few years. IBM eventually found it necessary to join the Employers' Confederation, which has the right of approval over the collective agreements negotiated by its members.

While somewhat different conditions exist in France with regard to union strength, the virtual necessity for important companies to join their appropriate employers' associations leads to considerable adaptation to host-country labour practices, including recognition of unions by multinationals. Although, for example, the extent of unionization (as distinguished from collective bargaining coverage) in France is half that in Great Britain or The Netherlands, IBM has recognized unions in France, but not in the other two countries. In comparing France and Great Britain it is important to note that there is a considerable body of legislation in the former country making it mandatory for all plants of modest size and upwards to establish shop stewards, works councils (comité d'entreprise), union representation, and so on.

Despite all these variations, however, the generalizations about the importance of multinational company style and philosophy, wage administration and training, employment decisions, and human relations practices are critical. It is these general characteristics that help create a common union reaction to multinationals in Western Europe, regardless of host country.

...one can look to a continuing transnational response by unions to multinationals

In most of the "new" countries, there is less of an entrenched indigenous system of labour relations, less of a traditional body of personnel practice, less of a set union way of doing things. Consequently, the multinational is often a pioneer in the labour field — particularly in Asia — and the reaction of unions cannot be expected to be the same as in Europe.

Turning to the unions' response to the MNCs, one cannot refrain from noting that the spread of multinationals in the past four decades has probably been the most significant force impinging upon the *industrial relations* activities of the international union movement. Such leading international trade union secretariats as the International Metalworkers' Federation (IMF), the International Federation of Chemical and General Workers' Unions (ICF), and the International Federation of Food and Allied Workers' Association (IUF), to name three, have devoted a growing share of their resources to assisting their affiliates in responding to the thrust of the multinationals. The International Confederation of Free Trade Unions (ICFTU) has also established task forces and issued reports and action programs on the subject.

This secretariat response has taken a variety of forms, including a great step-up in information flows to affiliated unions, about individual MNCs, the establishment of permanent councils or committees bringing together union representatives from different plants of the same company operating in different countries, the furnishing of technical assistance (in the form of experts on job evaluation, special training seminars, and so on) to affiliates bargaining with multinationals and, where possible, strike aid for affiliates that come into conflict with these companies.

The great outlay on the part of the unions for literally scores of transnational meetings among themselves each year, as well as the increased research and organizing activity of the trade union secretariats which they support, are a tribute to the unions' concern about this impact. One could almost say a number of international union secretariats have taken on a redoubled existence in the wake of the multinational.

To bring the matter closer to home, the multinational has in different ways also become a matter of great concern to the labour movements in Canada and the United States. It seems fair to argue, for example, that the substantial changes in the foreign economic policy of the AFL-CIO in recent years have been due as much to its leadership's perception of the multinationals' impact on investment, trade and jobs, as to any other factor.

Confining ourselves to industrial relations, however, one can look to a continuing transnational response by unions to multinationals. Their quest for information to cope with multinationals, their desire for input to top level investment-employment decisions effecting their plants, their sense of encounter at the national level with companies that are organizationally and policy-wise different and often difficult to cope with in

bargaining — these are guarantees that the issue will remain quite alive among unions. While there has been some tendency to exaggerate the transnational aspects of union-management relations, the unions' activities vis-à-vis the MNCs are not likely to diminish — even though growing hostility among some recipient countries and greater concern about the impact of multinational company investment on home country labour markets suggests the rate of growth of such investment may already have peaked.

At the transnational level, unions will continue to press for inter-country meetings with multinationals' headquarters management. The principal union objectives in such meetings, judging from the recent past, will be information and union participation in critical employment decisions. This does not ignore the fact that some of these decisions raise difficulties for unions dealing with the same company in different countries. Unions in less developed countries facing difficulties in obtaining recognition from multinationals or in improving their conditions, may also benefit from such transnational meetings.

The development of any international dimension in multinational companies' industrial relations depends on the strength and concern of the unions in the companies' home country plants. A worldwide coalition of unions centering on the UAW at Ford or General Motors is likely to have more impact upon these companies than will any coalition of unions seeking to face IBM, which is unorganized in its U.S. home base. The same is true regarding multinationals based in Western Europe or Japan.

It is also fair to say that the future of any transnational labour action will be influenced by governmental action. The various proposals for codes of conduct to regulate multinationals currently under consideration by agencies like the International Labour Office or the Organization for Economic Co-operation and Development, could conceivably improve the unions' chances of expanding their transnational activities.

...the future of any transnational labour action will be influenced by governmental action

The very nature of most multinational industrial companies operating across the world makes them, in their present day aggregate force, a new element in industrial relations. The structure, style and policies of these companies present in many instances new problems for unions. Their remote centres of decision-making, their more highly developed personnel activities, including their distinctive training, benefit, and wage administration programs, their occasional efforts to project home-developed labour practices abroad — these and related matters can often be a source of irritation and concern to unions.

The unions' reactions to multinationals are conditioned by the state of their own national industrial relations systems. Where a great deal of labour relations practice is prescribed by law (Germany), the multinationals' impact is likely to be less than in a country where the system is more voluntaristic (Great Britain). This impact is likely to be greater where multinational investment constitutes a significant part of important industrial sectors in the host country (Belgium and The Netherlands, and in many less developed countries). Where unions and management are very highly organized, and have a firmly structured relationship, the multinational subsidiary is likely to be under greater pressure to adapt to host-country practices (Sweden).

Significant differences can be found between subsidiaries of multinationals based in large countries with a very distinctive national industrial relations cultural base (the U.S. or Japan), and those based in the smaller countries of Western Europe, which are likely to adapt more readily and fully to host-country conditions. Differences in the technological bases of companies may lead to differences in the degree to which headquarters may seek to influence the labour policies of its subsidiaries abroad.

These then are some of the variables that can modify the labour relations impact of a multinational as it moves abroad. But there is no denying that generally, the many unique characteristics of such companies and their growth in the post World War II period has introduced an important new element in industrial relations in many countries. lg

The multinationals — another major hurdle for organized labour

by Daniel Benedict

The long period of economic difficulty that most of the world has been experiencing has brought anguish and social disruption to over 20 million unemployed or temporarily laid-off workers in industrialized countries.

Obviously, employees of multinational companies (MNCs) are only a minority of working people, yet, according to the 1973 United Nations report on Multinational Corporations and World Development, there are 13 to 14 million such workers, two million of whom are in developing countries. Significantly, many of the sectors hardest hit by unemployment — such as the auto industry, electronics, textiles, and food — are largely controlled by the multinationals.

Periods of crisis can also shatter some myths. One such myth was the frequently-heard assertion that labour had no justification for pushing for specific shop-level, national and international controls on the MNCs, because those companies operate separately in each country as corporate citizens. The accumulating evidence of centralized decisions of MNCs now is available.

There is also increasing public sensitivity to the plans, threats and moves to transfer investment, production and — above all — employment or unemployment, from one plant to another and from one country to another. We know of U.S. companies that laid off about 100,000 or 20 per cent of the work force in the radio, TV and electronic components sector alone, according to the International Union of Electrical Workers, the major North American union in that field. At the same time, the companies transferred production to subsidiary or allied plants in Asia or Latin America. They then brought the final product back for sale in the "home" country. Similar events, on a smaller scale, have been developing in a number of European and Japanese companies.

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What about the employees of MNCs in "host" countries? It would be unrealistic to expect them to want to see their jobs disappear either. In both "home" and "host" countries, employment creation and job security represent real worries that have been enunciated with increasing clarity and force by union spokesmen such as the AFL/CIO in the U.S. on the one hand, and the Singapore National Trades Union Congress on the other.

Heavy unemployment has reduced the credibility of the view that effective countervailing forces to the MNCs can be built solely through trade union action within those companies. The crisis has shown that action on a broader scale is needed. Even attempts at international regulation of the MNCs depend primarily upon the ability of the trade union movement to initiate joint action and to build an alliance with political, academic and other sectors, effective enough to influence the home and host country's stand on multinationals.

Many people have spoken or written of "mobility" or "flexibility" as *the* key to the MNCs' successful strategy. Obviously, to the worker concerned for his job and his family, much of that "mobility" brings only fear and worry. That is why employment security has become a major area of concern for trade unions and communities.

Scores of recent factory conflicts and occupations in Italy, France, Belgium and Switzerland center on this problem. The occupation of the small British multinational factory called Prestige in Belgium mobilized the hitherto ultra conservative Flemish wing of the CCMB, Belgian Christian Metalworkers' Union, against the arbitrary management decision to close down. Similarly, the decision of the Bulova management in New York to shut down a watch factory in Neuchâtel and absorb its production — and some of its workers — at Bienne in the Canton of Bern, led the Swiss Metal and Watchmakers' Union, with the support of its international federation, to back the workers who occupied the factory. As a

result, the plant closing has been put off for this year, while attempts are made to find a solution.

John Shearer of Oklahoma State University, referring to one of the many factory occupations in Italy for similar reasons, says that "the uniquely American casualness with respect to laying off workers causes great difficulties for American firms in Europe." Growing unemployment in Europe has increased workers' sensitivity and reaction to dismissal. The foreigner who breezes in and throws dozens or hundreds of people out of work today acts as a magnet for trade union and community anger.

Singer is another company that recently experienced a factory occupation when it planned to close down one of its Italian plants. At about the same time it chopped employment in Italy, Singer announced the rapid closing of its Blankenlock plant in Germany. This led to a short strike and consultation, through the IMF, with the British trade unions as to whether the transfer of machinery from German to British plants should be permitted. While there is no sense in exaggerating the role of this international co-operation, as compared to that of the pressures put on Singer in Germany itself, the fact is that the company was forced to slow down and to agree to a much more generous "social plan" to ease the fate of the dismissed Blankenloch workers. Earlier, an attempt by Singer to close down a subsidiary in Alsace, France led to worldwide support of the strikers — and more important — to the reopening of the plant.

The largest European-based MNC, from the point of view of employment, has long been Philips. Most reductions have been made through attrition. But there is little consolation for European Philips workers and their communities who see some 20,000 jobs disappear in the region and at the same time learn that "economies" in Europe helped Philips buy up Magnavox and Signetics in the U.S. Incidentally, shortly after taking over Magnavox, Philips cut the staff from 17,000 to less than 14,000.

...attempts at international regulation of MNCs depend primarily upon the ability of the trade union movement to initiate joint action

In some companies the relationship between employment at home and abroad changes considerably over the years. In Philips, for example, the proportion of employees in Holland was 34 per cent in 1965 but only 23 per cent at the end of 1974. In 1975 further cuts were made in Holland, but even more abroad.

ITT is a constant buyer and seller of businesses. In 1974-75 it opened ten new Sheraton hotels, from Kansas City to Hong Kong, and sold or started selling 12 others, opened a glass sand plant in Oklahoma, got the Canadian and Quebec governments to help pay for a new Rayonier paper pulp and cellulose plant at Port Cartier, announced plans for a new research centre in Chile and released an animated cartoon film to tell children about the adventures of Raggedy Ann. ITT sold part of Avis car rentals, got rid of its original — and perhaps most inefficient — operation, the Puerto Rico Telephone Company, and reduced employment in its largest single affiliate, the German Standard Elektrik Lorenz, from 37,599 in April 1972 to 33,747 in January 1976.

The significant increases in production in late 1975 and early 1976 in some companies and countries, without corresponding reductions in unemployment, strengthen the concern that major economic forces, particularly the MNCs, may indeed be "managing the crisis" to which their largely uncontrolled financial activities and production decisions have contributed heavily.

The French government agency, DATAR, in its 1973 reports on "Les firmes multinationales" and its 1974 "Investissements étrangers et aménagement du territoire" has some good and bad things to say about the employment effects of MNCs. While they emphasize the value of the number of jobs in new installations, the reports are — with one major exception — less enthusiastic about the qualitative aspects of employment. On the positive side is the increased hiring of local personnel in top management positions in many firms particularly those established for some time.

Today, the international assembly line is a fact. Ford ships its knocked-down sub-assemblies from Cologne, West Germany, to Genk, Belgium, for assembly with transmissions from Bordeaux. Litton, Texas Instruments, IBM and a number of others move electronic components to and from the United States and South East Asian and Mexican border plants. Sometimes one of them gets caught making use of the opportunity to fiddle the prices from one subsidiary to another.

Indeed that international assembly line is getting more and more complicated. Fiat's Agnelli brings

in Polski Fiat motors to Italy while Italian workers are on short time, and ships parts to Yugoslavia. In addition to selling Polish and Yugoslav Fiats in Western Europe, Agnelli brings a knocked down version to his assembly plants in developing countries such as Colombia.

On a smaller scale, the German AEG-Telefunken is now going to import electric typewriter parts from the Russian Kirovograd factory it helped to build. And the German, Dutch and US-owned Fokker-VFW has long been negotiating the building of a joint venture aircraft assembly plant in Romania.

While Hilton hotels are popping up in East Europe to help the Western MNC negotiators feel at home, Reynolds Tobacco begins talks to transform its licencing and technical co-operation cigarette operations in strike-free Bulgaria into a joint venture to produce trans-ideological lung-cancer for export to Africa.

In the opposite direction, a few indications of East European multinational investments have begun to appear, mostly in developing countries. Yugoslavia's Iskra has 49 per cent of a new Iskraemec company manufacturing electric drills, grinders and polishers in Ecuador. Now that Bell Telephone Manufacturing Company of Belgium, itself a subsidiary of ITT, has bought a share in Iskra, who knows what influences will govern Iskraemec's labour relations policies?

As a result of some of these developments, essentially within Western Europe, but no longer entirely limited to that area, trade union meetings on some major MNCs have already begun to consider — or even to chart — the flow of components from one plant to another.

There is a good deal of controversy about the interpretation of employment figures, particularly when they go beyond individual companies, specific sectors or small areas. Few workers who lose their jobs are consoled by statistics on jobs saved elsewhere. Adjustment compensation is often, in the words of an AFL-CIO statement, just "burial insurance." Only a very active employment policy, based on a community willingness to go in heavily for social investment, and linked to a whole framework of economic and social decisions, can hope to balance job needs with shifts in production, technological progress and regional development. Can communities afford to leave those decisions entirely in the hands of MNCs?

Few workers who lose their jobs are consoled by statistics on jobs saved elsewhere

Of course controversy exists too on the employment effects of MNCs in "less developed" host countries. Transfer of highly mechanized production puts few local low-wage earners to work and sometimes puts hundreds of local artisans out of work, as in the shoe industry.

The rows of electronic components factories in free-port areas of South-East Asia, the Mexican border, Barcelona or Lisbon suburbs, using low-wage and high-profit nimble fingers are linked separately to worldwide production, assembly and marketing strategies decided far away. They explain some MNC interest in laws that further the export of capital and the import of their own merchandise.

The argument that any job, no matter how ill-paid or unhealthy, is better than none, is now growing its own, built-in "law of diminishing returns." This is hastened by the discovery that MNC flexibility these days includes not only moving jobs from one industrialized country to another, or from an industrialized country to a less-developed country, but also includes Fairchild Instruments cutting 4,000 jobs in Hong Kong to increase production and create 3,000 jobs in South Korea. Asian electrical workers also report production and job transfers, in some cases back to industrialized countries.

A special type of mobility that has become a major feature of the economics of a number of industrialized countries in recent years is bringing in millions of foreign workers, usually to the lower-paid jobs, rather than moving only plants and investments to low-wage areas. While not limited to MNCs, it is common among the best-known MNCs in Europe. The large proportion of migrant workers, reaching from 20 to 50 per cent in some electrical and automotive plants, has sometimes been used not only to keep wage levels down, but, as in Chrysler and Citroen in France, to keep trade unionism weak and frightened.

Multinational companies usually, but not always, claim to abide by local law and custom. Sometimes that means going along with Fascist and racist regulations. Sometimes, particularly in industrialized countries with democratic traditions or strong trade unions, the MNCs do the right thing. Sometimes they simply refuse. The British Trades Union Congress has cited the cases of Kodak, Roberts-Arundel and Caterpillar. The Roberts case is well-known in Britain: it involved the takeover of a local concern,

casual dismissals, refusal to bargain collectively, rejection of "quaint" local customs such as the tea break, and closure of the plant. IBM and Texas Instruments are cited frequently in trade union meetings. Both are accused of anti-union action in many countries. One difference between them is that Texas is more open about it, while IBM, understandably concerned with sales in municipalities, provincial and federal governments in European countries with Labour or Social-Democratic leadership, prefers to see discussion kept to a minimum.

Both IBM and Texas Instruments have been among the firms in Britain and elsewhere that have put blue- and white-collar workers on an equal footing and that have made some "work humanization" efforts. These steps, however, have been taken without trade union participation or even consultation, as part of a paternalistic and essentially anti-collective bargaining approach. Indeed, to return to Great Britain, IBM has settled in an area of Scotland where the lack of alternative employment lends weight to IBM's house slogan: "THINK," but even more to its house tradition: "NO UNION." At a meeting of the trade union working party on IBM in 1974, a British delegate said: "Of course we have a few craftsmen there who are union members, but they keep it a secret and pay their dues by post."

Attempts to transfer home-country practices can lead to bitter battles, as General Electric found out in Shannon when the company refused to follow the traditional British Isles approach to recognizing all unions with membership in the firm, and tried unsuccessfully to keep out the Irish Transport and General Workers' Union when it failed to enrol 50 per cent of all workers.

Attempts to transfer home-country practices can lead to bitter battles

U.S. and international trade unionists supported the Irish union in its long strike.

Despite claims by many MNC representatives that their choice of locations for production abroad is based on anything except the hunt for cheap labour, none can really argue with Henry Ford's eyesight. He said: "In South Korea, Taiwan and Indonesia we see promising markets and we see an attractive supply of cheap labour."

Some international studies show MNCs in some host countries paying on the average more than local companies. Any number of limiting or influencing factors could be listed, however. For example, the relation between wages and fringe benefits, trade union organization, bargaining patterns and structures, the size of operations, the capital invested, the type of production, the relative number and proportion of job categories, the availability of certain needed categories, local population and employment, age groups, the number of foreign workers or expatriate staff, productivity or other measures of performance, even the varying exchange rates.

Where the MNC average is higher, the difference in salary is greater for white-collar staff than for blue-collar workers. Furthermore, any difference is often greater in less developed countries or areas, where in some cases the foreign firms are as much as 30 times larger, as in Mexico, than the average local firm.

Faced with some of the employment problems that led Swedish trade unions and government to adopt their "active labour market policy," unions in Italy and West Germany, particularly in the metal industries, have come up with new proposals. In Italy, negotiation has led to a new type of agreement clause with several major Italian MNCs on investment policies linked to detailed employment levels in specific plants. First steps have also been taken toward getting some companies to pay for some needed community infrastructure in the plant neighbourhoods involved.

In West Germany, an attempt by worker members of the supervisory board of General Motors to get the company to invest its German profits locally failed when the majority of stockholder representatives simply insisted on carrying out Detroit instructions and transferring the profits abroad. More recently, the metal union has started a national drive to "link" government encouragement of investment to employment levels fixed in advance. Governmental or legislative decisions of this sort may require a good deal of follow-up and policing to assure observance by local firms. Foreign-based MNCs with sizable operations abroad would be in a better position than purely local firms to find ways around such regulations by using credit and other facilities available in countries with wide-open financial systems.

In several countries, lack of trade union interest in industrial democracy, particularly in sharing responsibility for work reorganization projects, is as great as management indifference toward allowing change in the system whereby management authority or control would be really challenged, by unions or by "autonomous" or "self-managing" work groups. It is

difficult to see how far democratization of the shop could go in practice in MNC subsidiaries.

In Yugoslavia a type of "self-management" has existed for some time. Personal observation would lead to the conclusion that the degree of effective involvement in decision-making by the workers varies considerably. A study of foreign investment in Yugoslavia by the Organization for Economic Co-operation and Development (OECD) points out that the "workers councils" can distribute bonuses "only after the distribution of profits...in accordance with the terms of the contract." The study reports that "in practice, self-management does not appear to have given rise to any difficulties in the joint ventures. If the works council decides that it is in the best interests of the employees to exercise the rights and duties of self-management by sharing them with, or even surrendering some of them to, a foreign partner, then the law gives them fairly wide discretion to do so."

Environmental protection, particularly with regard to workers' health and safety, is a field in which a good deal has been done in the industrialized countries in general. The MNCs, however, do not stand out as pioneers of co-operation with trade unions in involving the workers in democratic solutions to their problems, even in the industrialized countries. The Dutch Industrial Union NVV, for example, found itself talking to deaf ears when it tried to get Philips to discuss measures beyond governmental provisions.

One area where MNCs could profit from the example of international trade unions is precisely that of broadening acceptance of worker participation in effective health and safety controls. Perhaps some managers will be more open to such ideas if other governments follow the French example of holding managers criminally responsible — after a French Bendix manager was convicted of responsibility for a fatal accident.

More worrisome in this respect is the export by Dow Chemical and other MNCs of pollution and the use of dangerous machinery, production methods and materials, such as polyvinyl chloride and asbestos, to countries lacking in rigorous controls, particularly — but not only — in the Southern hemisphere.

It is difficult to see how far democratization of the shop could go in practice in MNC subsidiaries

The problem of lack of disclosure of information is also causing tension. One way in which unions attempt to overcome that obstacle is through the collection and exchange of information, some of it on the basis of problems or goals, some given priority because of specific situations, or chosen in company-wide meetings. One example has been the question of rest and relief time on the assembly line. The fantastic differences in plants of the same company — sometimes going from 0 to 56 minutes per day — was soon matched by a determination that trade union bargaining representatives should not be obliged to go into negotiations without knowing what had been won by their fellow-unionists in other subsidiaries. In fact a wealth of such information has now been acquired, much of it digested and distributed to the unions concerned. In this sense, MNCs sometimes serve as a channel for the generalization of a specific improvement in working conditions.

It has become apparent, however, that there are other aspects of importance to both trade unions and communities. One is the simple knowledge of the location of all operations, their employment, products, and finances. At the first trade union seminar on electrical and electronics MNCs in Asia (Tokyo, May, 1974) some participants were very surprised to hear the discussion leader on European-owned MNCs in Asia, a national secretary of the Dutch union, inform them that the major MNC based in his own country would not even let him have a list of subsidiaries in Asia. This situation is apparently not limited to that company's attitude toward questions from trade unionists, since the ILO report on "social and labour practices of some European-based MNCs in the metal trades" shows that same firm as the only one of eleven major companies that gives no data at all on its foreign subsidiaries in its annual reports.

Small wonder, then, that trade unions, national and international, give high priority to the requirement that MNCs publish detailed information on their world operations. Without it, many of the proposed international "codes of conduct," regulations and controls, would be operating in the dark.

Once trade unions began to become more aware of, and concerned about, the international aspects of the decisions of the MNCs, including the management reply to union demands, saying "I have to check with the home office first," they began to look to their own international colleagues for support. Co-operative efforts moved from occasional fire-fighting to more continuous

co-ordination and a striving for common goals, tactics and eventually strategies.

The first step was taken in the late 1950s and early 1960s, although in most small MNCs and in quite a few large ones it is still as far as unions have gone.

That is the "fire-fighting" stage, calling for help, usually after a bitter conflict has already started, or occasionally asking for information in preparation for a conflict. Help, in the form of solidarity messages, protests to world management and a symbolic financial contribution, played a helpful role. Many of the events mentioned in this report were indeed the occasion for support action on such an ad hoc basis. Too often, however, the appeal has come too late — and the background information has been too limited — to produce timely and effective action.

There have even been a few occasions when á couple of telephone calls did work, but not many. One that comes to mind was a five-week strike in 1973 in a small Swiss-owned metal plant in France called Rolba. French trade unionists called the international federation in nearby Geneva to complain that the manager had dismissed a leading trade unionist and refused to negotiate. This complaint was relayed at once to the top Swiss management in Zürich by both the IMF and (undoubtedly more to the point) by the Zürich secretary of the Swiss metal union. The astonished company president agreed, on the telephone, to go to France and actually did drive there the next day. He met with the local union, rehired the dismissed unionist and settled the strike. That does not often work so easily, particularly with big firms, but some forms of pressure do facilitate a solution.

...trade unions give high priority to the requirement that MNCs publish detailed information on their world operations

National trade unions may also intervene, usually at the request of their international organizations, in a dispute concerning an MNC headquartered in their country. Typical examples are intervention by Canadian auto workers in a dispute involving Massey-Ferguson, and steelworkers in disputes involving INCO and Alcan. Sometimes this is accompanied by visits to the host country and subsidiary where the problem arises. Just recently, German trade unionists thus contributed to the settlement of conflicts in the Spanish plants of Osram and Robert Bosch, and U.S. trade unionists did likewise with regard to Chrysler and John Deere.

The "third stage" of international trade union activity on MNCs has been marked by one positive and one negative aspect. The positive aspect has been the gradually increasing interest, apparent in the early 1970s, in spelling out an overall strategy. The pragmatic beginnings of world council activities in most cases implied a certain framework of action within MNCs, whose general power in the world was growing unrestrainedly. Voices calling for a broader approach began to make themselves heard. Moves in that direction were furthered by the decision of the ILO Metal Trades Committee in 1971 (and subsequent ILO and other UN conferences at other levels), calling for action by the UN and its agencies.

The detailed resolution of the International Metalworkers' Federation world congress in Lausanne, also in 1971, called for joint action by trade unions and allied political forces in fighting for controls, both within the MNCs and on a public basis. The decisions of the International Confederation of Free Trade Unions world congress in London in 1972, went in that same direction. This led to setting up in 1973 a joint MNC working party of the ICFTU, several International Trades Secretariats, and gradually the Socialist International, the International Co-operative Alliance and, in 1974, to the election of a number of governments led by Social-Democratic or similar parties.

The negative aspect is what appears to be a reluctance to advance, or perhaps a conscious tendency among MNCs to stop, or at least to slow down, the trend toward more meaningful international meetings between unions and MNC management. This reluctance, however, has conflicting effects. It takes several forms, such as arguments over the agenda, complaints about releases, attempts (such as the one mentioned above) to dictate the make-up of union delegations, frequent postponements or simply refusing to meet.

One effect of such reluctance on the part of some MNCs, in metals and elsewhere, has been to encourage a growing interest in public controls. The most pragmatic trade unionist, confronted by an interlocutor who won't budge, will look around for a pole with which to lever him, and for allies to help wield it. This may well be another case in which old management attitudes contribute to new trade union action. lg

The foregoing was condensed from an address to the Second International Conference on Trends in Industrial and Labour Relations, Montreal, 1976.

The response of international organizations to transnational corporations

by Kari Tapiola

There is near consensus that the development of powerful corporations with extensive activities abroad — corporations we have chosen to call transnational — has not been met with measures that create effective countervailing powers. Thus, the inevitable point of departure when speaking about the response of international organizations is that there is no single international instrument regulating or influencing the operations and practices of transnational corporations. Consequently, there has been a simultaneous drive in several international organizations, and more recently in the United Nations, to take up for study and action the whole range of questions related to multinational or transnational corporations.

Actually, we do not deal with a new phenomenon. International investment has been with us for decades, spurred on by the development of technology and communications after the industrial revolution. Even before this trend grew stronger, international events were substantially influenced by developments in world trade. Similarly, "rules of the game" have always been sought. An American anti-trust expert recently pointed out that early Roman legislators were sufficiently concerned to pass laws prohibiting profiteering and joint action to influence the corn trade. And in modern times agreements relating to international investment and business can be traced back at least to 1889 with The Paris Convention for Protection of Industrial Property.

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But the almost explosively-aroused awareness of the world community during the past two decades has cast the transnational corporations in a new light. This certainly is due to the unprecedented growth of these corporations, with the new quantitative and qualitative dimensions this growth has opened up. Through their capacity to move capital, technology and entrepreneurship across national frontiers, the transnational corporations have become the main vehicles for the internationalization of production. The value of international production controlled by them today exceeds that of international trade. They are definitely — as reported by the Group of Eminent Persons appointed in 1972 by the secretary-general of the United Nations — important actors on the world stage.

In delivering their report in 1974, the Group of Eminent Persons enumerated several concerns that had become evident during the hearings and meetings conducted in 1973 (LG, Dec.'73, p.807). Host countries are concerned about the ownership and control of key economic sectors, the cost to the domestic economy, the extent to which transnational corporations may encroach upon political sovereignty, and their influence on socio-cultural values. Home countries are concerned about the effects foreign investment may have on domestic employment and the balance of payments, as well as the capacity of transnational corporations to alter the normal play of competition.

Trade unions are concerned about the impact on employment and welfare of the workers and on their bargaining position. Consumers are concerned about the appropriateness, quality and price of the goods produced by transnational corporations. And the corporations themselves are concerned about the possible nationalization or expropriation of their assets without adequate compensation, and about both host and home country policies.

The Group of Eminent Persons reached the following conclusion: fundamental new problems have arisen as a direct result of the growing internationalization of

production, carried out by transnational corporations. Consequently, the verdict was that these problems must be tackled without delay.

On the basis of the report, the UN Economic and Social Council decided in the summer of 1974 to establish an intergovernmental Commission on Transnational Corporations, a 48-member body to meet annually to assist the Economic and Social Council in dealing with the issue of transnational corporations. One of the tasks of the Commission: to undertake work that may assist the Economic and Social Council in evolving a set of recommendations which, taken together, would represent the basis for a code of conduct dealing with transnational corporations.

It was also decided to establish an information and research centre to provide the necessary support to the Economic and Social Council and the Commission — to develop a comprehensive information system on the activities of transnational corporations, to organize programs of technical co-operation and to conduct research on various political, legal, economic and social aspects relating to the corporations.

The Commission held its first session in March 1975, and the second was concluded in Lima, Peru early this year. The Centre became functional in November 1975.

There are, in fact, several global, multiregional, regional and other instruments — such as conventions, agreements, recommendations, various kinds of codes and guidelines — which in some way touch upon the activities of transnational corporations. These are, however, either of limited scope or apply to areas with

...there is no single international instrument regulating or influencing the operations and practices of transnational corporations

certain common specifics. Some of them have been drawn up in the United Nations specialized agencies. Some are regulations or decisions of regional bodies and can constitute an element in the economic integration of these regions. Some instruments take the form of guidelines or charters by international non-governmental organizations.

It is repeatedly pointed out that if the Charter of the International Trade Organization, signed in Havana in 1948, had been ratified, a global basis for dealing with international economic relations — and specifically foreign investment and restrictive business practices — would have been constituted. The validity of this assessment, however, was never put to the test. In any case, the early years of the United Nations were less economically and socially oriented than they are today.

The number of resolutions and other documents touching upon the effects of foreign investment has increased during the past dozen or so years. Resolutions of the United Nations General Assembly have dealt with the principle of permanent national sovereignty over natural resources, financing economic development, and transfer of technology. The resolution on the International Development Strategy for the Second United Nations Development Decade (1970) has relevance in this context. Especially important are the resolutions of the sixth (1974) and seventh (1975) special sessions of the General Assembly and the resolution on a Charter of the Economic Rights and Duties of States. These documents contain direct references to transnational corporations, and in a sense are an essential part of the foundation for later work in the United Nations itself.

The General Assembly resolution on the establishment of a New International Economic Order (1974) referred to "regulation and supervision" of the activities of transnational corporations. The relevant program of action, in section V, under the heading "Regulation and control over the activities of transnational corporations," endorses the formulation and implementation of a code of conduct for transnational corporations. Foreign investment and the rights of states to regulate and exercise authority over it are covered by the Charter on Economic Rights and Duties of States (General Assembly, 1974) as well.

The Lima Declaration and Plan of Action on Industrial Development and Co-operation, adopted at the Second General Conference of UNIDO, 1975, deals with regulation and supervision of foreign investment and the promotion of transfer of technology. It stresses also the desirability of participation in investment projects within the framework of development plans and programs of the developing countries. UNCTAD has been conducting work on an international code of conduct for the transfer of technology. The code is expected to focus principally on obstacles faced by the recipients of technology.

As for monetary co-operation and international finance, it can be noted that the Articles of Agreement of the International Monetary Fund constitute a certain code of conduct for inter-governmental financial relations. This also has a regulatory effect on the activities of the trans-national corporations and especially on internationally-active financial institutions.

None of these UN documents, or instruments, however, deals exclusively with the corporations. No comprehensive instrument of either binding or promotional character on this specific subject has emerged directly from these fora.

In many ways, the International Labour Organization is the most suitable forum to deal with a number of specific questions related to transnational corporations. The ILO has convened tripartite expert meetings on transnational corporations and social policy (using the concept, "multinational enterprises"). Studies in specific areas of concern have been carried out. Work in the ILO, however, is not yet approaching its final stages, and there is no agreement on the form or character of a possible instrument or instruments. Quite a few of the more than 130 Conventions adopted at the annual International Labour Conference have a certain significance as to the activities of transnational corporations.

The Council of the Organization for Economic Co-operation and Development (OECD) issued in 1962 a Code of Liberalization of Capital Movements which also is in conformity with principles stated in the Convention of this multiregional organization of industrialized market economy countries. The general aim of this code is the progressive abolition of restrictions on movements of capital to the extent necessary for effective economic co-operation.

More recently, the OECD has taken up directly the question of trans-national corporations, and its Committee on International Investments and Multinational Enterprises has prepared guidelines on transnational corporations and procedures for intergovernmental consultations on issues relating to them (see p.579). The Organization of American States is also studying the possibility of a comparable code of conduct.

...fundamental new problems have arisen as a direct result of the growing internationalization of production

A multiregional instrument dealing with relations between developed industrialized countries, on one hand, and a group of developing countries, on the other hand, is the Lomé Convention concluded in 1975 between the European Economic Community and 46 African, Caribbean and Pacific (ACP) states. Some of the provisions of this treaty relate to international investment, relations between enterprises, industrialization and the transfer of technology.

The European Economic Community and the Andean Pact have prepared or are preparing regional instruments of a binding character. The EEC, specifically, is currently working on a proposed European Company Statute. This would define the terms for European Companies, registered as such in the European Commercial register. The statute would also cover the structure as well as the rights and obligations of such companies. Some provisions would also deal with industrial relations. In a way, the statute detaches the companies from dependency of national laws, binding them instead to specific legal rules of the European Community.

The European Company Statute is oriented to the transnational corporations within an integrated group of industrialized countries. Decision No. 46 of the Andean Pact, entitled "Standard Code on Multinational Enterprises and Regulation of the Treatment Applicable to Subregional Capital," relates to stock companies with at least 60 per cent of capital from national investors of two or more member countries. The decision covers the structure, powers and obligations of these subregional enterprises. Decision No. 24 of the ANCOM concerns the common treatment of foreign capital trademarks, licensing agreements and royalties in the area.

It might be observed that a high level of integration, which includes harmonization of national legislation, can be a most effective way to achieve the aim of supervising transnational corporations. Outside the EEC and the Andean Pact, however, this approach is not prevalent, at least for the time being. Therefore the terms "codes" or "guidelines" are more frequently used than laws or legal statutes.

Transnational corporations have repeatedly received much attention in the discussions and decisions of the non-aligned countries. In 1972 the foreign ministers of the

non-aligned countries called for a set of criteria, techniques and procedures to make private foreign investment serve national development objectives. A year later, the Fourth Summit Conference of the Non-aligned Countries adopted an action program for economic co-operation recommending joint action on the transnational corporations, and a global strategy. One of the decisions at the conference concerned the establishment of an information centre of the non-aligned countries, for the purpose of exchanging information and experiences related to the transnationals.

Among the relevant regional documents agreed upon between industrialized countries with different social and economic systems is the Final Act of the Conference on Security and Co-operation in Europe. It contains a relevant section entitled "Co-operation in the field of economics, of Science and Technology and of the Environment."

Many non-governmental and private bodies — including the transnational corporations themselves — have codes or charters that often deal directly with the issue in question. These are mainly declaratory, either self-imposed, with the amount of bindingness conditioned by the organization itself, or a set of demands by a group whose interests are directly concerned.

Thus, the International Confederation of Free Trade Unions has for some years — in conferences and working groups of the ICFTU and the International Trade Secretariats — formulated its own sets of demands. The outcome of this work was a Multinational Charter, adopted by the World Congress of the ICFTU

In many ways, the ILO is the most suitable forum to deal with a number of specific questions related to transnational corporations

in 1975. The World Federation of Trade Unions adopted in its Congress in 1975 a "Charter of trade union rights and the economic and social demands of the workers in capitalist countries at the present time," a chapter of which calls for measures concerning transnational corporations. The Nordic Trade Union Confederation, in 1974, outlined a program on control of the transnational corporations, presented primarily to the Nordic governments.

On the business and employer side, the International Chamber of Commerce in 1972 adopted a set of Guidelines for International Investment, containing recommendations and expectations regarding investors, the investor country's government and the host country's government. The ICC guidelines note that "in an increasingly interdependent world, all resources — public and private, domestic and international — capable of making a contribution to economic and social welfare must be effectively marshalled." Various transnational corporations themselves have internal — often unpublished — company codes or guidelines on, inter alia, relations with authorities, organizations and individuals in host countries.

The overall effect of these documents of trade union and business circles depends, naturally, on their observance and/or on the degree they can influence national and international policies. One international forum with employers' and workers' representation is naturally the ILO. The parties in the labour market have their say in the OECD and EEC, too. As to the dealings in the United Nations — and, specifically, the Commission on Transnational Corporations — large workers' organizations as well as the ICC have a consultative status with the ECOSOC and have attended sessions of the Commission.

The approach stressing the necessity of preparing a code of conduct has prevailed in the discussions during both the first and the second session of the Commission on Transnational Corporations. In the second session, the highest priority was given to the elaboration of a code. The time-table and modalities of work were also approved. The recognized desire to have a code, however, leaves open a set of questions which every international body wishing to draft regulations covering the subject has been confronted with. They relate to the scope and status of the code. Some anticipate an eventual legally enforceable code, with penalties for non-observance. Others think in terms of a voluntary set of guidelines. Some envisage a code addressed solely to the transnational corporations which others feel should be addressed to both corporations and governments.

The commission could not resolve these differences. Instead, they have been put aside for the time being and preparatory work for a code has been initiated. This follows a consensus, in an encouraging atmosphere, that whatever the legal nature of a code, it should be effective. It may

well be that progress in the practical work will in due time bring about solutions to the differences that still today are regarded as insurmountable. A reverse approach would have served merely to block any progress at this stage.

It is significant that agreement has been reached on the time-table and the procedures to be followed in preparing a code of conduct. The commission has decided to establish a working group composed of all member states of the commission. This working group will meet between the annual sessions of the commission. It has been requested to submit an annotated outline of the code of conduct to the third session of the commission in the spring of next year. On the basis of further instructions from the commission, the working group should then submit a full text of the code to the fourth session of the commission in 1978.

It is now necessary that the governments define more specifically their views and proposals on a code. Individual governments will first of all be invited to send these to the Information and Research Centre. Furthermore, regional meetings of governments will be organized during the second half of this year. Thus, representatives of developing countries in Africa, Asia and Latin America will come together and endeavour to define proposals for a code in the light of the particular needs and conditions in each region. A joint unit of the Centre and the Economic Commission for Latin America has recently been agreed upon. In accordance with a resolution of the ECOSOC, last summer, similar units are to become functional in all of the regions.

The commission has recognized the necessity of receiving inputs from non-governmental interested parties, such as business, trade unions and consumer groups. Organizations representing these circles have, by virtue of their consultative status with the ECOSOC, made their views heard at the sessions of the commission. The centre has been requested to solicit in a more comprehensive manner the views of these groups and to incorporate them in a document that also will be submitted to the working group. The last is expected to be assisted by individuals with direct experience in trade unions, business and other circles. These persons would be available to assist both the working group, in the preparation of a code, and the commission in general. The centre will continue to remain in touch with all interested parties, and is expected to proceed speedily with the collection of publicly available information, both general and specific. This would include the preparation of profiles on individual transnational corporations.

A high level of integration, which includes harmonization of national legislation, can be a most effective way to achieve the aim of supervising

There are, of course, constraints that result either from national legislation or requirements of business confidentiality, and these may present obstacles to the collection of information which normally is not publicly available.

The commission has also stressed the importance of moving ahead rapidly with the establishment of standards for developing and collecting comparable information. This will be the task of a group of experts on international standards of accounting and reporting. The group will review existing reporting practices and propose standard items and their definitions, which should be included in corporate reports.

In the area of research, the commission concluded, on the basis of a survey carried out by the centre, that while much is being done, the work is not sufficiently problem-oriented and does not focus adequately on the impact of transnational corporations in developing countries. The commission therefore decided on a considerable amount of work to be carried out or sponsored by the centre. A comprehensive integrated study will be undertaken as a sequel to the study completed by the United Nations Secretariat in 1973. The centre is also to undertake in-depth studies of such vital issues as the impact of transnational corporations on the balance of payments, particularly of developing countries, on investment and production by domestic enterprises and on employment. In addition, the centre has been requested to examine the role of transnational corporations in a number of sectors, notably in banking, insurance, shipping, tourism, the extractive, food and pharmaceutical industries.

The commission also attaches great importance and urgency to the technical co-operation program of the centre. This is aimed at strengthening the negotiating capability of the developing countries. Advisers will be made available to requesting

governments to assist them on matters ranging from national investment policies and legislation and their application to specific investment proposals. Training workshops for government officials will be continued, and the centre will respond to inquiries from governments for specific information.

The second session of the commission coincided with an upsurge of reports on corrupt practices involving transnational corporations, particularly in connection with their marketing methods. The General Assembly adopted unanimously last December a resolution on corrupt practices. It specifically requested the commission to take up this problem. An initial discussion took place in the session, with added impetus and publicity from the recent developments and disclosures.

The commission had before it a proposal by the United States calling for the establishment of a working group to prepare an international agreement on this subject. Although the initiative was generally appreciated, most delegations felt that more time was needed to study it as well as any other possible approach. For this reason, and because the scope of the proposal covered not only foreign investment but also trade, it was decided to recommend to the ECOSOC that it consider this issue and take appropriate action at its 1976 summer session.

...agreement has been reached on the timetable and the procedures to be followed in preparing a code of conduct

There certainly are serious and very deep-reaching problems to be solved, and it may well be that some basic contradictions can never be fully eliminated. The question, however, is more of an accommodation — a modus vivendi — in accordance with the political will expressed by the world body. What now is projected — besides the partial regional measures — is a universal comprehensive approach, which also has fixed goals and a time plan for some of them. What will be the concrete form, remains of course to be seen. The activities and decisions of the commission in the next few years will be of great importance. The Centre on Transnational Corporations will, for its part, do its best to provide it with the necessary support. lg

The foregoing was condensed from a paper to the International Conference on Trends in Industrial and Labour Relations, held May 24-28 in Montreal

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A profile of the first-line supervisor

by J.W. Westcott and Marijane Terry

Being a first-line supervisor is not an easy task, and perhaps a better name would be "firing-line" supervisor. On the one hand, first-line supervisors are responsible for the people under them, and are the most visible targets for complaints. On the other, there is a more powerful management group above, who, while sending down directives, are not always ready to accept the first-line supervisor as an equal and integrated part of the management team. This tends to make the first-line supervisor's job difficult and sometimes a little lonely.

In some ways it might seem to be a thankless job, but it is, nevertheless, a highly important function within any organization. The first-line supervisor, while often having little or no control over the formulation of policy and planning, is the person who is most visible in their implementation. In this context, we define a first-line supervisor as a person who supervises line workers, or someone who supervises people who have no supervisory responsibility.

It is essential for the first-line supervisor to have the skills, knowledge and motivation to reconcile objectives which are received from higher levels of management with the actual means of production. It is in the supervisor's scope that the needs and demands of management and labour meet, and it is these people's task to satisfy both sides while still meeting the requirements of the work.

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The conclusions in this article are based on a sample of 460 people, of whom 99 were first-line supervisors drawn at random from 20 companies in Canada involved in manufacturing, the service industry, natural resource development, sales and marketing.

The study was undertaken to provide information about the Canadian business population. The existing norms tended to be based on U.S. data drawn from the testing of a sample of the general population of high school graduates. Our study provides information to assist companies to select Canadian employees. It is based on comparisons between a job candidate's skills and those of others in their peer group.

The basic intellectual capacity of an average first-line supervisor in our study of 460 people exceeds that of 88 per cent of the general population. This is an excellent level, and should enable the first-line supervisor to deal with a wide variety of problems. Specific aptitudes are also well developed, with particular strength in the verbal area. Good communication skills are essential to this job, both in oral communication and in written work, and the average supervisor from among the 99 we tested surpasses more than 80 per cent of the general population we tested in this aptitude.

...the first-line supervisor's job is difficult and sometimes a little lonely

Being able to understand and to be understood by all levels is not easy, and this is an essential skill for management. The supervisor's numerical skills were much better developed than those of the general population. Abstract skills, or the ability to think logically in non-verbal terms, are about equal with the others tested. This is not surprising, as this tends to be a skill which in today's business world is becoming increasingly specialized, for example, in terms of computers.

The first-line supervisor's skill and accuracy in detail work are very high, not only in comparison with the general population, but also in relation to the higher management level executives we tested. This is likely due to the fact that supervisors deal most immediately with the practical and the concrete, and a wealth of factual detail accompanies work at this level.Concurrently, we found that first-line supervisors' ability to make everyday "common-sense" judgments

is above average. By "commonsense" judgment, we mean the ability to solve practical, factual problems in an everyday, immediate setting, as opposed to long range, theoretical problems.

In upgrading a supervisor's managerial skills, one of the most important considerations is strengthening the ability to analyse and evaluate complicated alternatives. This area is the first-line supervisor's weakest. These skills are learnable and the best training in their acquisition is on-the-job practice, where the actual involvements and steps of the decision-making process are demonstrated and absorbed. Management level decision-making skills are essentially for long range, theoretical or conceptual kinds of problems, while the first-line supervisor deals more with immediate, factual types of problems. Nevertheless, in comparison with the general population, levels of skill in this area are well above average.

Compared to the general population, first-line supervisors have more active and inquiring minds, and probably make better use of intellectual ability within the work setting. In this context, "intellectual capacity" has been measured through standard tests which demonstrate problem-solving ability and the reasoning potential of any one person compared to another person. Since the job primarily stresses practical and pragmatic solutions to everyday problems, the first-line supervisor's approach is an orderly and somewhat careful one, but one which can be innovative and flexible as well.

A first-line supervisor's ability to be sensitive to the moods and feelings of other people is slightly below average. This somewhat nebulous quality was assessed by means of attitude surveys. The problem here is that a supervisor's first concern is directed at getting the job done, and recognizing how other people feel about it takes second place because of work pressures. This is an area where a first-line supervisor should pay close attention, for being able to evaluate and appreciate others' reactions can be very helpful in eliciting co-operation and bringing more positive motivation into effective play.

For some, first-line supervision is a goal, for others it is a stage in their development

Expectations for behaviour differ in the business setting from those in ordinary social situations, business being more attuned to industrial imperatives, although both settings have their own formalized and unwritten codes of conduct. In comparison with the general population, first-line supervisors have a high level of tact in social settings, and are above average in the business setting as well. This tendency was also detected by means of attitude surveys. It is an important part of the supervisor's repertoire of talents to be able to logically observe others and come to an understanding of their motivations.

While most supervisors differ little from other people in terms of the need to build relationships with others, they do tend to take a more intellectual approach to maintaining interpersonal relationships. It is important to be able to continue a friendly and co-operative atmosphere with subordinates while still being able to exercise authority and control. A supervisor who makes a hash of his interpersonal working relationships will soon find himself being blocked by actual or passive antipathy. Needless to say, interpersonal skills can be used to advantage in an upward direction as well.

The ability to sell might not, upon first reflection, be deemed to play a very great part in a supervisor's position. However, if one thinks of the ability to sell not just strictly in terms of products or consumer goods, but also as the ability to sell ideas, then it does become a consideration. First-line supervisors' interest in selling and appreciation of sales techniques far surpass that of the general population, although falling below that of professional salesmen. A supervisor can make effective use of this skill in two directions. First, he can "sell" ideas about production methods and the best utilization of his people to superiors, and second, he can "sell" management plans to those below him, minimizing misunderstanding from the ranks.

...to analyse and evaluate complicated alternatives — this area is the first-line supervisor's weakest

It can be seen then, that the mixing of intellectual, interpersonal and business skills plays an important part in a first-line supervisor's effectiveness. All skills are well above average when compared to the general population, and while some may have been that way naturally, others have had

to be developed and constantly practiced. Other factors are involved in effective first-line supervision as well, although they are not always readily apparent.

...they tend to take a more intellectual approach to maintaining interpersonal relationships

The need for achievement and the need for dominance are two interrelated factors which make people strive for objectives. Both of these needs are very high in first-line supervisors, much higher than in the general population. Their ability to accept responsibility is above average, and they seem to be able to work on their own much better. While a first-line supervisor's need for autonomy is not a high one, incumbents of this position are effective in working toward goals and objectives once a fair amount of definition has been given, and will be orderly and persevering in achieving them. Levels of emotional stability and objectivity are above average, so that supervisors will be able to work without pressure adversely affecting their work and will be able to avoid becoming emotionally involved better than the average person could.

A first-line supervisor will generally be seen by others as a positive, optimistic and self-confident person, who is both well-controlled and outgoing. First-line supervisors appear to value financial and power considerations more than the average person, and while there is a high need for dominance, there is less than average aggressiveness. One interesting aside is that first-line supervisors have a higher need for change and variety than the average person, although balancing this is a need to meet their commitments. Providing the fuel for their abilities and skills is a higher than average energy level, which permits first-line supervisors to carry heavy and demanding work loads over protracted periods of time.

If one were deliberating one's chances of being a successful first-line supervisor, it would be apparent that there are manifold elements to consider. Higher than average intellectual ability, interpersonal skills, business skills and certain personality characteristics, as well as basic managerial skills are all required to constitute a successful first-line supervisor. Not only must a first-line supervisor possess these skills and aptitudes, he must make effective and committed use of them. It is not an easy position to be in, and every talent that can be utilized benefits both the individual and the organization. Fortunately for those of us who do not possess the necessary skills, many of them are learnable and we can encourage their development.

First-line supervisors have a higher need for change and variety than the average person

In conclusion, we have found that first-line supervisors' skills and abilities run well above average in most areas, which is very helpful for those who must keep a permanent balancing act in motion. lg

A report from the Trades Union Congress

Britain's unemployment crisis endangers "social contract"

by John Bank

If economic forecasts can be believed, Britain is only half-way toward ending its crisis. Unemployment rages at 1½ million. The pound is still weak. The current balance of payments deficit can't be set right until 1978. Investment in manufacturing continues to decline. Inflation isn't expected to fall to 10 per cent until December 1977. With wage increases frozen at 4½ per cent and prices climbing at a faster rate, the British working class must face a third straight year of a reduction in living standards. This hard economic reality put an edge on the Trades Union Congress in Brighton, September 6-10.

Unemployment was the keynote of the Congress. TUC President Cyril Plant, in his opening address, said: "No Congress since the War has met under such a crisis of unemployment." He warned the Labour government that the TUC viewed the jobless statistics as totally unacceptable. "There is a limit to the loyality they, or any government, can expect from the trade union movement when unemployment is rising at its present rate," he said.

He called on the government to take immediate steps to deal with the problem. Specifically this meant controlling imports, and stopping run-away capital. It meant job creation with the young in mind.

John Bank is a PhD candidate at the London Graduate School of Business Studies in England

Plant recognized the complexity of the problem, in that today's unemployment is fundamentally different from that before the War. "In some ways it could be termed technological unemployment, and that simply means we are now able to produce most of the things we want with fewer people. This should lead us to a greater understanding of using leisure and a shorter working year...or indeed a shorter working life."

As Britain's representative to the International Labour Organization, Cyril Plant is one of the most widely-traveled members of the TUC General Council. He fitted Britain's unemployment problem into the international context and reminded delegates that international joblessness dwarfed Britain's problems.

Plant cautioned delegates not to lay the blame for unemployment at the door of immigrants. "It is unjust and unfair to make scapegoats of innocent people," he said. "There are less than two million black people in Britain today. They are no visitors, they are here to stay. Approximately 40 per cent were born here.... Britain is therefore, and will remain a multiracial society. Before we preach to the rest of the world on how they should conduct their affairs we must, as I know we shall, create a harmonious and just society in Britain for all groups." His eloquent words must have echoed in the ears of the TUC's solitary black delegate.

"No Congress since the War has met under such a crisis of unemployment"

The TUC declared its support for a scheme that would encourage workers near pensionable age to retire and free their jobs for younger unemployed workers. The scheme is under discussion by the government and the Manpower Services Commission. It was presented as part of the TUC's employment policy report.

Len Murray opened the TUC's economic debate by presenting a policy for the next three years that envisions a planned and orderly return to free collective bargaining in 1977. "We must ensure that the restoration of the process of collective bargaining — which all of us want — does not plunge us back into the whirlpool of wage-price inflation."

"We knew more than 12 months

ago that restrictions on wages, even on a voluntary basis, steadily pile up rigidities and anomalies that eventually have to be relieved," Murray said. "We cannot go on ignoring forever the cumulative pressures that are built up by such restraints."

But the TUC leader cautioned: "The move next year toward a more flexible system must not be a lurch into instability, but an orderly process. Otherwise we shall give away all that we have gained."

What has the TUC gained for workers by its voluntary pay restraint? There is a cornucopia of pro-union legislation which includes a repeal of the 1971 Tory Industrial Relations Act, the Employment Protection Act, and the Industry Act. Either at the end of this Parliament, or more likely in the next, the government will introduce its Industrial Democracy Bill, which will put workers on the top boards of private and public companies across Britain. The Bullock Committee of Inquiry in Industrial Democracy is due to report before Christmas, recommending what form workers' participation should take. Leaks on its progress already indicate that the Committee's report will satisfy most of labour's demands.

In the TUC industrial democracy debate, Len Murray outlined the Congress' position on the matter. It contained three conditions: all worker-directors must be chosen through trade unions; all must be accountable to their unions; and there must be parity — equal representation of the unions and shareholders on the top boards.

The Congress again voted to support the TUC industrial democracy policy, but the debate brought out opposition to the idea of workers on the board from three of Britain's six largest unions. The electricians' union is against it because it believes that collective bargaining is adequate to meet workers' needs. The engineers oppose the TUC policy, saying that workers on the boards should be restricted to just the nationalized industries. John Boyd, the engineers' general secretary, told the Congress that worker participation in private industry was pointless since the motives of unions and bosses were divergent. The General and Municipal Workers opposed the TUC industrial democracy policy on the grounds that every group of workers should have the freedom to choose their own style of participation. Their spokesman, Ken Baker, argued against legislation that would impose one model of industrial democracy on all. The model the TUC has so far developed is that of a supervisory (policy-making) board with 50 per cent union membership that would appoint a management board to get on with the day-to-day running of the enterprise.

...no one could disagree that in Britain "the unions have a major impact on every political, social and economic issue of the day"

A successful women's rights motion called on the government to amend the Equal Pay Act so that it provided for "equal pay for work of equal value instead of equal pay for work of the same, or broadly similar nature." The new wording would close loopholes and force clear interpretations by industrial tribunals.

Joe Morris, president of the Canadian Labour Congress and fraternal delegate to the TUC, was greeted affectionately by TUC president Cyril Plant as "one of Britain's finest exports." Morris explained the CLC's struggle with the Canadian government to the delegates. "The work of all trade unionists from one end of Canada to the other was dramatically changed on October 14, 1975, when our prime minister introduced, without any consultation, his program of wage controls," he said. "We in the Canadian Labour Congress were asked to co-operate in putting it into effect but we refused to do so because the program did not control prices and made no attempt to deal with the severe unemployment. In our eyes it could not be anything but a '...cold, calculated attempt by the government to fight inflation at the expense of the poor, the disadvantaged, the people on fixed incomes and the unorganized'." He outlined the main provisions of *Labour's Manifesto for Canada* and credited London as the birthplace of tripartism at the end of the First World War.

Joe Morris' tale of woe demonstrated to any TUC delegate, who needed reminding, how different life for the trade union movement is under a government that acts without the consultation and collaboration of the unions. For although the Trades Union Congress was critical of the Labour government's cuts in public spending and its failure to deal more effectively with unemployment, no one could disagree with white-collar leader Clive Jenkins. He observed: "the unions have a major impact on every political, social and economic issue of the day." lg

Changes in provincial social assistance legislation in 1975

During 1975, rates of assistance across the country were revised to reflect increases in the cost of living. Several provinces raised the levels of allowable assets and specified scales for earnings exemptions. In Saskatchewan, the Saskatchewan Income Plan was introduced to supplement the incomes of those 65 and over, who receive the federal Guaranteed Income Supplement. Manitoba introduced into its legislation a section to provide for the recovery of payments made in error or obtained by false statement. In British Columbia, that section of the Social Assistance Act concerning the right of an applicant or recipient to appeal decisions was proclaimed in force, and regulations dealing with appeal procedures provided that all appeal proceedings be confidential. In Nova Scotia, the Social Assistance Act was amended to include a section on confidentiality.

Some of the major changes that were made during the year are summarized below.

Prepared by the Welfare Information Systems Branch of the Department of National Health and Welfare.

NEWFOUNDLAND

Rates of assistance

As of January 1, the social assistance rates for ordinary needs were increased. The maximum amount of social assistance granted for food, clothing and personal care, fuel, household maintenance and utilities varies according to the number of adults and children in a household. The following is a sample of social assistance rates:

	maximum $ per month
1 adult	163
2 adults	225
3 adults	265
1 adult with 9 or more children	361
2 adults with 7 or more children	361
4 adults with 3 or more children	361

The amount of social assistance payable for fuel to an adult or family in Labrador for the period November 1 to April 30 each year was changed from $15 to $17.

As of April 1, a uniform Comforts Allowance of $34 a month was paid to all needy persons who resided in institutions and hospitals. Payments are indexed to reflect the cost of living and are adjusted annually, as are other social allowances.

The allowance for board, lodging, clothing and personal care rose from $100 to $113 for an adult or a child 16 or older and from $40 to $45 for a child under 16 where the landlord is not a relative. Where the landlord is a relative, the rates were increased to $101 from $90 in the case of an adult, and the regulation was further amended to include a child 16 or older. The rate in respect of a child under 16 was changed from $40 to $45.

Eligibility — strikers

Persons who are unemployed as a result of strike action by others may be eligible for social assistance and are no longer required to sign promissory notes as a condition of receiving assistance.

Special needs

Before October 1, special needs included work-related clothing and equipment, specific types of food for certain diseases, union initiation fees in some cases, and certain needs of recipients of the Old Age Security Pension and the Guaranteed Income Supplement and their spouses who, because of loss of income due to retirement, could no longer meet all their expenses. As of October 1, the needs of OAS/GIS recipients and their spouses no longer fall under special needs.

Additional assistance

As of September 1, registered blind persons who received or applied for social assistance became entitled to additional assistance of $50 a month under Regulation 6 of the Social Assistance Regulations. In some instances, recipients may already have been receiving part or all of this $50 for reasons other than blindness. These people can receive the balance of the amount, if any.

Reorganization of field services

In 1975, field services were reorganized in Newfoundland. All Welfare Officers in the Department of Social Services were renamed Social Workers. Changes in management positions were also made. Regional Administrators were renamed Regional Directors. District Supervisor, Welfare Worker Supervisor and other Officer-in-Charge positions were abolished. District Administrator, Program Consultant and Social Worker Supervisor positions were established.

PRINCE EDWARD ISLAND

Rates of assistance

The rates payable for items of basic need were increased, June 1. In the calculation of the pre-added budget, the following items are included: food, clothing, household and personal supplies. The maximum amount of social assistance that may be granted, varies according to the number of adults and children in a family unit and according to the ages of the children. Some examples are:

	maximum $ per month
1 adult	81
2 adults	142
1 adult with 1 child	136
1 adult with 10 children	553
2 adults with 1 child	202
2 adults with 10 children	616

Where there are more than six children, $56 a month is added for every child between 0 and 11 years of age and $80 a month for every child between 12 and 18 years of age.

Comfort allowance

The comfort allowance payable to beneficiaries in homes for special care was increased from $20 to $30 a month. The allowable comfort fund balance of any recipient, in excess of which a further comfort allowance may not be paid, was increased from $150 to $200.

Special care allowance

The Special Care Allowance for an applicant for or beneficiary of assistance, who is also a beneficiary under the Blind Persons Act, was increased in 1975, from $75 to $95 per person per month. Eligibility for this allowance is conditional upon an applicant's or beneficiary's not receiving, for items of basic need or special need, more than $170 a month if single and $340 a month if married and living with a blind spouse. In 1974, these amounts had been $150 and $300 respectively.

NOVA SCOTIA

Rates

In July, the Social Assistance rates were increased as follows:

	maximum $ per month
1 adult	218
2 adults	320
1 adult with 1 child (0-11 years)	320
1 adult with 6 children (12-18 years)	390
2 adults with 1 child (0-11 years)	354
2 adults with 6 children (12-18 years)	424

Retroactive payments earned and unearned

When a social assistance recipient has received retroactive payments of earned or unearned income, these payments are considered as income and must be adjusted at a percentage consistent with the Regulations before any further assistance is issued.

Unmarried mothers — maintenance payments

In May, the Department of Social Services issued a policy statement dealing with maintenance payments awarded to unwed mothers for a dependent child. The amount of these payments is considered as income in the month that it is received and the amount of Provincial Assistance granted for that month must be adjusted accordingly.

Confidentiality

The Nova Scotia Social Assistance Act was amended to include a section on confidentiality. This section states that no list of persons who are receiving or who have received assistance under the Act shall be made available to any person who does not require this information in the performance of his lawful duty.

NEW BRUNSWICK

Rates of assistance

As of July 1, there was an increase in the assistance rates for items of basic need. These items include food, clothing, household and personal needs, fuel, utilities, routine transportation and shelter. The rates are as follows: $217 for a one-person unit; $326 for two adults; $271 for a one-parent unit plus $11 for each dependant in the unit under 18 years and $33 for each

dependant 18 years and over; $326 for a two-parent unit plus the same amounts as above for any dependants.

QUEBEC

Rates of assistance

As of January 1, the social assistance rates for ordinary needs were increased to reflect the rise in the cost of living. They range from $145 for a single adult to $297 for one adult with three or more children and $312 for two adults to $362 for two adults with three or more children.

In addition to the above, there was an increase in the amount available to each child 18 years or over who is attending high school on a full-time basis. These amounts, which vary according to the child's rank in the family, were set at $22 for the first child, $30 for the second, $44 for the third and $48 for the fourth and each additional child.

Eligibility and computation of needs

In July, it was established in an amendment to the Social Aid Regulations that an adult accommodated in a reception centre or hospital centre, or detained by the law, would continue to be a beneficiary for three months. At the end of this period, the adult detained by the law would no longer be eligible for assistance. In the computation of needs, however, the ordinary needs of a family would be increased by $45 if it included an adult accommodated in a reception or hospital centre. The ordinary needs of an individual in the same situation would be fixed at the same amount.

Assets

As of July 1, the levels of allowable liquid assets were increased to $2,500 in the case of a family and $1,500 in the case of an individual. The same amounts apply to the total value of household property.

The sections in the regulations dealing with items that are not considered as property in the calculation of resources were amended to increase the value of these items.

This amendment dealt also with the conversion of real assets into liquid assets. Were such a conversion to result in a loss exceeding one quarter of their value, they would not be included in the total value of the property before three months following a new application. This deadline may be extended to six months under certain conditions, outlined in the 1975 Regulations.

ONTARIO

General Welfare Assistance: rates of assistance

The maximum allowances payable under General Welfare Assistance to a recipient with three dependants were raised to $460 a month and $107 a week, plus $20 a month and $4.70 a week for each dependant in excess of three.

The amounts paid for ordinary needs — food, clothing, personal requirements, utilities and household supplies — were increased to $102 for a single person and $176 for a couple. Rates for single-parent families range from $156 for one adult with a child nine years of age or under, to $273 for one adult with three dependants who are 16 and over. Rates for families with two adults in the same situations as above, range from $176 to $318. Where there are more than three children, $33 is added for each child between 0 and 9, $38 for each child between 10 and 15, and $45 for each one 16 and over. The weekly allowances were also increased. The shelter allowances were raised to $75 a month for a single person, $130 a month for the head of a family in a heated shelter, and $120 for an unheated shelter. Where there are more than two beneficiaries, these amounts were increased by $5 for each additional beneficiary.

Family Benefits Act

Rates of assistance

As of May 1, the rates for ordinary needs were increased. These needs include food, clothing, utilities, household supplies and personal needs. The maximum was raised to $480 a month for a family of four plus $20 for each beneficiary in excess of four.

The Schedule for Ordinary Needs lists the following rates: $115 for one adult and $208 for a couple. Rates for single-parent families range from $185 for a parent with one child 9 years of age or under to $315 for families with three dependent children aged 16 and over. For families with two adults, the range is $246 to $364. For each child in excess of three, the following amounts are added: $47 for each child aged 16 and over, $39 for each child aged 10 to 15, and $30 for each child 9 years and under.

The maximum shelter allowance for a single person was raised to $75 a month. The allowances for persons with dependants were increased to $120 for unheated shelter and $130 for heated shelter. These amounts are increased by $5 a month for each additional beneficiary in excess of two.

The allowances for foster children were raised to $90 for the first foster child, $75 for the second and $65 for each additional one. Minimum and maximum monthly board rates

were set. The maximum amounts are $190 for one adult beneficiary, $290 for two, $340 for three and $370 for four or more. The minimum amounts range from $128 to $315. For each beneficiary in excess of four, $45 is added to the above amounts.

Income exemptions

As of July 1, the following monthly exemptions were added to the wage exemptions: $10 for the applicant or recipient and $5 for each additional beneficiary up to a maximum of $25 for work-related expenses approved by the director.

Assets

As of January 1, for the wife of a recipient or of a former recipient who is now a single parent and has dependent children, the level of allowable assets was increased to $1,500, plus $1,000 for the first dependent child and $300 for each additional dependent child.

MANITOBA

Rates of assistance

Allowances for basic necessities were increased during the year to reflect changes in the cost of living. As of October 1, the monthly food allowances ranged from $30.20 for each person up to 3 years of age, to $49 for those between 20 and 64, and $56.50 for those between 15 and 19. Where the household consists of three or fewer beneficiaries, there are additions made: $9.60 for a single person, and lesser amounts for each of two or three persons. Where the household consists of more than five beneficiaries, a deduction of $3.70 is made for each person more than five.

The monthly clothing allowance ranged from $7.90 for each person up to 6 years to $13.90 for a person between 20 and 64 and $17.60 for a person between 15 and 19. Each employed adult receives an additional $9.70. For an adult recipient, the allowance for personal needs remained at $17.90 monthly, and for household supplies the allowance for each household unit was $3 monthly, to which might be added an additional $1 monthly for each person in the unit after the first.

For general room and board in the home of a relative the basic allowance for a single person was the actual cost up to $85 monthly and for a single person in a private boarding home, the actual cost up to $110 monthly. For a couple, $65 monthly may be added.

Allowances for persons 65 and over were revised and, as of November 1, ranged from $17.30 a month for a socially and physically inactive person residing in a personal care institution where clothing and personal needs are required to $148.62 monthly for the first person, 65 or over, per household where food, clothing, personal needs and household supplies are required and $126 for the second person who has the same requirements.

Common-law relationships

An amendment to the Social Allowances Act established that an application for assistance received from a couple living together in a common-law relationship should be treated in every respect as though it had been received from a legally-married couple.

Recovery of payments

A section was added to the Social Allowances Act to provide for the recovery of payments made in error or obtained by false statement. The amendment further made it a punishable offence to obtain assistance through deliberate misrepresentation.

SASKATCHEWAN

Rates of assistance

In 1975, basic monthly allowances — including food, clothing and personal care — were $65 for each adult and child up to the third. For the fourth and each additional child, $55 monthly was added to the basic allowance for the family unit. Where a family unit is maintaining a household, it is entitled to an additional allowance of $30 a month. These rates were adjusted at the year's end, the new rates coming into effect January 1, 1976.

Earnings exemptions

Effective July 1, the amount of earned income that may be exempted from the calculation of the financial resources of an applicant for assistance was, for a single person, the greater of $50 monthly or 25 per cent of the amount of assistance to which that person would be entitled if he had no income and, for a family unit, the greater of $100 monthly or 25 per cent of the amount of assistance to which the family would be entitled if it had no income. Work-related expenses are excluded from the calculation of financial resources but are included in computing the basic budget requirements for recipients entitled to these exemptions.

Allowable assets

Effective July 1, the levels of allowable assets were raised. Liquid assets not exceeding $1,500 for a single recipient and $2,500 for a recipient with a dependant plus $300 for the second and each additional dependant are not included in the calculation of an applicant's

financial resources. Also exempted is the cash surrender value of life insurance.

Saskatchewan Income Plan

In September and November, amendments to the regulations established the Saskatchewan Income Plan to confer benefits, known as Senior Citizens' Benefits, on persons 65 and over who are in receipt of the federal Guaranteed Income Supplement. Maximum benefits provided are $20 monthly for a single person, or a person in receipt of GIS whose spouse is not in receipt of OAS/GIS, and $18 monthly for each of a married couple where both are in receipt of OAS/GIS.

ALBERTA

Rates of assistance

The maximum allowances for long-term assistance were increased as of May. The schedule lists the following amounts for food, clothing, personal and household allowances: $92 for a single adult recipient and $172 for two adults; $123 for one adult with one child (0 - 6 years) to $351 for one adult and five children (16 - 17); and $197 for two adults with one child (0 - 6 years) to $427 for two adults and five children (16 - 17). (The amount payable for each child varies according to the age of that child. The age-range groupings in the Alberta Schedule are 0-6 years, 7-11 years, 12-15 years and 16-17 years. The 16-17 figure represents the maximum assistance payable).

Eligibility of strikers

The provision regarding the eligibility for assistance of persons on strike was elaborated during the year to make it plain that, while persons on strike are not eligible for social allowance, persons receiving a social allowance supplement to earnings may continue to receive the supplement when on strike. Temporary assistance for food only, for a one-week period may be issued to a person on strike in exceptional and emergency situations where that person is unable to provide for his or her dependent children.

Liquid assets

Effective May 1, allowable liquid asset limits for recipients were set at $1,000 for a single person or $2,000 for a person with dependants. In determining the resources of an employable person, no more than $250 for a single person or $500 for a person with dependants of these asset limits can be made up of cash on hand, bank accounts or government bonds.

Earnings exemptions

Effective May 1, earnings exemption levels were set at 100 per cent exemption for earnings up to $50 monthly; 50 per cent on excess of earnings between $50 and $100 a month; 25 per cent on the excess of earnings between $100 and $200 a month and 10 per cent on the excess of earnings over $200 a month.

Additional needs

The policy with regard to additional needs was amended in October to allow the social worker to authorize needs up to, but not exceeding, $100 monthly.

Homeowner's Maintenance Allowance

In February, a Homeowner's Maintenance Allowance was introduced for recipients owning the home in which they live. This monthly allowance of $12 is to be used for minor repairs and ongoing maintenance.

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shane CPA

BRITISH COLUMBIA

Rates of assistance

New Regulations under the Social Assistance Act were made, effective June 1, and the Social Assistance Regulations of 1971 were rescinded. Under these Regulations, basic monthly assistance rates ranged from a maximum of $160 for one person to a maximum of $625 for a unit comprising 10 persons. However, a person aged 65 or over, or a handicapped person, is eligible to receive assistance in excess of the basic maximum monthly rate up to a maximum of $215. The Minister may also authorize payments in excess of $215 to those 65 and over

and to the handicapped under the Mincome program, and payments in excess of the basic monthly maximum for recipients aged 60 to 64 inclusive.

Rates for persons requiring special care and accommodation were set at $250 monthly for persons requiring personal care and $400 monthly for persons requiring intermediate care. The rate for private hospital nursing home care was set at $525 monthly or $17.36 per diem for any period less than 30 days.

Definitions

Under these new Regulations, several definitions were amended or expanded. A *child* is defined as any person under the age of 19. To the definition of things included as *unearned income* were added OAS/GIS payments, education or training allowances and grants and scholarships. The definition of an *unemployable person* was extended to include a person temporarily or permanently unable to leave his or her home unattended due to the age or physical or mental disabilities of a dependent child or spouse.

Appeals

An Act to amend the Social Assistance Act (SBC c81, 1973) was proclaimed in force in March. This added to the Act a section providing that recipients might appeal decisions to a tribunal established under the regulations. The section of the regulations dealing with appeal procedures was amended to establish that notice of appeal must be given within 30 days of the decision being appealed and that appeal proceedings should be confidential with a witness being present only while he or she is giving evidence.

Earnings exemptions

In May the Minister authorized a policy change regarding earned income. Earnings exemptions are as follows: A person with dependants may be allowed up to $100 a month earnings exemption, and a person with no dependents $50 per month, provided net income does not equal or exceed 50 per cent of the total social assistance and family allowances to which they would be entitled if they had no other income. A family head of a one-parent family, a handicapped person in receipt of Mincome who has dependants, or a person whose spouse is handicapped and in receipt of Mincome may be allowed a $100 per month earnings exemption.

Educational and rehabilitational services

Additions to this section of the regulations provide that the director may authorize social assistance for persons attending a university or college provided the proposed program of studies does not exceed two years and prepares the person for a specific vocation. The director may also provide an incentive allowance to enable participation in vocational or self-improvement programs but the combined value of the allowance and any earnings exemption may not exceed $50 monthly for a single person or $100 monthly for a family unless the director authorizes a sum in excess of $100 monthly for a family where more than one member is recommended for training. lg

forum

• *FORUM invites readers to freely express their opinions on topics of concern to the industrial relations community.*

Professor critical of unionists' views on co-determination

I was flabbergasted to read in your issue of August, 1976 some of the statements made by Messrs. Levine and Rowley, concerning industrial democracy in general and the German co-determination system in particular. It is obvious to me that neither my friend Mr. Levine nor Mr. Rowley ever visited Germany with the purpose of studying the industrial relations system or the German trade union movement, because if they had, they would have never made such incorrect statements, except of course if their intention was to confuse the issue. Participation is related to industrial democracy but workers' control is not, because the latter is related to the "dictatorship of the proletariat" not to the sharing of power and the democratization of the decision-making process.

Mr. Levine has stated that "the concept of co-determination or industrial democracy did not come about because of the demand from workers or unions." The truth, however, is the exact opposite, as it is evident from every German trade union publication on the subject, and the official position the trade union movement took in the parliamentary committees and other bodies which prepared the recent improvements in the co-determination laws of the Federal Republic. The arguments that the trade unions have used in favour of expanding and improving the system, were based on their well-publicized belief that the far-reaching improvements and structural changes in the important industries, such as coal, iron, and steel, which have been achieved without causing social hardship, were due largely to the right of employees in those industries to participate in their management.

Furthermore, the fact is that the co-determination system was neither invented nor imposed by the U.S. Army of Occupation in Germany. It was the outcome of a long-thought-out philosophy propounded by German social democrats, industrial reformers, and the German trade unionists of the underground movement during the Nazi period, and by those German trade union leaders who escaped the Nazi persecution and lived in exile during the Second World War years.

Mr. Levine calls the German labour movement "the most timid...in Europe," because of its adherence to co-determination, and because, I presume, of the movement's lack of militancy. However, militant action in the form of strikes is no proof of either strength or effectiveness, for the real power of trade unions in our time, lies with effective representation in the decision-making bodies. A strong and well-organized trade union movement does not necessarily need the strike and the picket line to demonstrate its strength and accomplish its goals. The Austrian, Norwegian, and Swedish trade unions too, are well organized and fairly powerful, and yet they have accomplished most of their marked social and economic objectives in the post Second World War period with little or no strike action...

The trouble is that some people find it difficult to digest the fact that the German co-determination system and other forms of industrial democracy in Continental Europe are working, and they are trying to minimize the success of those countries with questionable arguments. "West Germany," states Mr. Rowley, "owes its success in large measure to the influx since the War of hundreds of thousands of foreign workers who have not minded doing the dirty work at low wages." This must be a new theory of economic development, because I have not heard as yet of such a factor contributing so effectively to the successful economic recovery of any war-devastated country. Here again, the effort has been made to minimize the German success through the introduction in the argument of the "exploitation of foreign workers factor."

...foreign workers in Germany, and especially thousands of workers from countries that I know of, such as Greece, Italy, and Yugoslavia, have been engaged in very well paid semi-skilled and skilled jobs all over Germany. Many of those have returned and are now contributing, with their acquired knowledge and experience, to the development of new industries in their own country. There is no doubt that problems among foreign workers do exist, not only in Germany, but in all countries which receive foreign labour, but the fact is that the unskilled and uneducated have no choice but to do the dirty or menial work which does not pay well anywhere. The unfortunate truth is also, that if they had stayed at home they would have still been doing some similar dirty or menial work at a much lower pay, and in some cases in worse working conditions.

Chris A. Jecchinis
Professor of Economics
Lakehead University.

Books

Union Growth in Canada in the Sixties

by **J.K. Eaton,** Labour Canada, 1976

Union Growth in Canada in the Sixties is really an extension of a study entitled *Union Growth in Canada 1921-1967* produced by the Canada Department of Labour. The new study, however, provides more accurate and detailed statistics for the period it covers — 1957 to 1970, using Labour Department surveys and other sources.

Eaton explains his choice of dates: "Unlike some statisticians, historians do not claim to measure accurately. A century is not necessarily a hundred years, and a decade not necessarily ten. So, for some historians the nineteenth century began in 1789 or 1815, and ended in 1914. And for our purposes, the sixties began in 1957 and ended in 1970. Our refusal to accept the ten-year Procrustean bed is necessary because 1957 marks the beginning of a new era for the Canadian labour movement."

That new era was, of course, the slowdown in union membership growth from previous periods. Eaton, however, does more than present a series of 37 much-subdivided statistical tables and graphs. He also provides descriptive texts of the major developments of the period as well as brief explanations of those movements in prose that is always clear and sometimes colourful.

For example, his explanations for the slowed membership growth include a gradual diminuition of the reservoir of semi-skilled workers, a high unemployment rate, a growth in the proportion of white-collar workers in the labour force who were "less prepared to organize than industrial workers," a "cooling off" in public attitudes toward unions, and strained relations between unions and governments.

He also describes briefly other historical developments of his 13-year decade, including the expulsion of the Teamsters from the Canadian Labour Congress, the several mergers that took place, the breakdown of unity talks between the CLC and the Confederation of National Trade Unions and the CLC's differences with the Quebec Federation of Labour.

There are also tables and texts on international comparisons, international unions in Canada, and union membership by province and by industry.

Eaton's work will delight students, scholars, researchers and future historians. It is unfortunate, however, that its 202 pages were not presented in a more manageable form than the 11½ by 8½-inch, paper-bound report style so dear to bureaucrats and so frustrating to librarians and library users.

It is also frustrating to readers for another reason. Eaton's brief descriptions of an important period in labour history whet the appetite for a more detailed history of the decade. It is to be hoped that one will be published soon.

—Roy LaBerge

Roy LaBerge is a social science teacher at Algonquin College, Ottawa, a journalist and former editor of Canadian Labour.

Working in Canada

edited by **Walter Johnson**
Black Rose Books, Montreal, 1975
162pp.

Backed by his belief that "a rational, productive and humanly satisfying work environment is not only possible but absolutely essential if our society is to progress and flourish," Walter Johnson presents the opinions and observations of workers from several sectors of the workforce, together with a description of the direction workers' demands may take in the future.

Working in Canada is quite readable, Johnson having successfully "downplayed the kind of radical chest thumping and verbal cholesterol that tend to weaken books of this nature." Its title, however, may be judged presumptuous in so far as the contributors are predominantly from industries employing assembly-line workers (three of the twelve chapters deal with working in automobile plants), and further, their geographical distribution is limited to Ontario and Quebec. Despite these shortcomings, the book provides an interesting condemnation of working conditions in the factory, office and bureaucracy. He also explores the unions, management, worker apathy, multinational corporations and the foreign-based unions that they imply.

The word which comes to mind to describe the workplace of the majority of the contributors is "prison." Ringing bells and constant supervision pervade the working hours of assembly-line and post-office workers alike. Compulsory overtime, no sick leave, denial of leave without pay, the hypocrisy of management and the unions, and the fragmentation of tasks are other complaints. The result of such conditions is a counter-productive adversary situation where workers resort to obstructionist tactics, sabotage and absenteeism to manifest their displeasure and assert their individuality.

Peter Taylor, a former mail sorter, describes the effects of evening shift work in the Post Office: "We all agreed it was making us irritable, was cutting us off from our friends, was dulling both our senses and our minds, and was attacking our self-confidence." The same worker

continued: "Every night I worked, was a night lost forever. If they were to try to take my life away from me, then they weren't going to get away with it without a fight that would cost them as much as possible." This fight is often centered upon the workers' desire for more money for less work; the central battle though is to have management recognize workers as human beings and treat them accordingly. An aircraft plant employee who believes his company is still living in the master-servant era complains: "To them, a worker is the most expendable part of the machine, the easiest one to replace, and the only time they show any interest in a worker is when he's not there."

This brings us to the central theme of the book: "the belief that our society, meaning the business, bureaucratic and academic elites, has a vested interest in denying workers the kind of social approval which generates self-respect and enables people to demand a work environment where their sense of autonomy, dignity, and self-worth is recognized and valued."

The union structure as presently constituted is judged to be impotent or uninterested in helping workers in their struggle for social approval because it is locked into bargaining on specific economic demands.

Claude Petelle, a Quebec auto worker and former member of the union executive explains why he did not run for re-election: "I became tired of being the guy who has to tell the workers that they don't have problems, because I know otherwise. It's absurd to tell people that they don't have problems simply because none of their problems are covered in the union contract or master agreement." He goes on to describe how his foreign-based union failed to react to the problem of francophone workers impeded in gaining promotions due to a lack of communication with their anglophone supervisors: "Most of the top officials in the UAW were English-speaking people from the United States and they didn't want to deal in French either."

Having thus discounted any argument for management or union participation in alleviating the problems of the work environment, Johnson proceeds to outline how the increasing radicalism among rank and file workers might lead to a movement for workers' control. The evidence given of this radicalism includes the trend toward the formation of citizens' action groups among the working poor; the rise of insurgent rank and file unions among the labour aristocracy (highly paid tradesmen and workers in large-scale manufacturing); the greater acceptance of unionism among white-collar workers; and growing dissatisfaction with the nature of their work among public sector workers. Basically, his argument is that the current economic crisis will weaken the "artificial barriers" between these groups and that their increased self-consciousness combined with the failure of the unions to meet their needs will pave the way for demands for workers' control of the work environment. However, as with all road-building projects, the gravel must come before the asphalt, and thus he notes: "What is now lacking among the rank and file militants is a clear radical vision which transcends the usual reform demands and poses a concrete alternative not only to the way the workplace is organized but also to the way the society is organized. It is in this area that intellectuals of the libertarian socialist persuasion can make the greatest contribution."

All things considered, Johnson's argument for workers' control of the work environment flounders on the rocks of optimism. Firstly, he explains that workers have heretofore been resistant to such concepts because they realize that it is impossible when their factories are simply cogs in a wheel controlled elsewhere. Hence, "Along with any movement toward workers' control there must also be a national industrial strategy to regain control of the national economy for Canadians." However noble the sentiment, it is difficult to discern any widespread demands for repatriation of the Canadian economy. Secondly, there is the question of whether his social vision will have the force to release the workers from their chains of gold, to dispel their apathy and predilection to delegate responsibilities to the state, unions, and school boards. Nor is there certainty that the libertarian socialist "animators" and "resource people" will not be viewed with the same suspicion that he holds for other intellectual, would-be leaders of the working class. Finally, while many of the criticisms of the unions are well founded, there is doubt as to whether all unions are equally guilty, as the book would have one believe. The Alcan plant in Kitimat, B.C. being a case where the union is actively investigating not only the medical safety of working conditions but the environmental effects of the plant on the surrounding area as well.

However, despite the fact that Johnson's arguments are not impervious to assault, the book as a whole is worthwhile for the perspective that it offers. Claude Petelle notes that unlike the slaves of old, the modern day slaves — the workers — "want to keep our chains because we can't envision any alternatives to this rat race for commodities." Johnson attempts to provide alternatives and that in itself is a responsible act.

—Jane E. Burton

Jane E. Burton is an Ottawa free-lance writer.

Fifty Years Ago

Provisions in the last will and testament of a member of the Winnipeg Musicians' Association, local 190, American Federation of Musicians (AFL), prompted mention in the November 1926 *Labour Gazette,* as did "profiteering prevention" in Australia and a "no-accident" bonus for motormen and conductors on the Brooklyn City Railroad Company.

In the case of the **musician's will,** the unionist in question left his friend, a Miss Theobald, who was neither a dependant nor in any way related to him, "any moneys which I may own or inherit now or after my death, such as insurance from an association, etc." As the executrix and legatee, Miss Theobald claimed the right to receive benefits payable by the union to the representative of a deceased member. The question arose, however, whether the union was under any contractual obligation to the plaintiff.

The objectives of the association were set out as being "for mutual protection by means of contributions, subscriptions, donations or otherwise, against all casualties caused by disease, inevitable accident or death, with a view of helping the afflicted or the widows, orphans, relations and dependants of deceased members." The plaintiff was trying to recover $1,000 from the association under its by-law no. 85 which provided for a donation being made by the association of a sum of $1,000 to "a designated beneficiary or the legal representative of a deceased member of the association."

The association was incorporated under the Charitable Associations Act of Manitoba which was amended in 1924 to enable the association to provide benefits not only to the widows and orphans of deceased members, as formerly, but also to their relatives and dependants. The court found that the claimant, not being within the classes mentioned in the Act, could not validly be designated by a member as a beneficiary of the donation fund. Another point in the case was the validity of by-law no. 85, which read: "Upon the death of a member who has been for at least one year a member of the association, and who has been in good standing for three months previous to his death, the proceeds of an assessment of $2 on each member of the association, not exceeding in amount, the sum of $1,000, will be donated to a designated beneficiary or to the legal representative of such deceased member, any indebtedness to the association from the deceased member having first been deducted from the amount payable."

The Court of King's Bench in Winnipeg dismissed the action with costs. The court found "that a member of the union cannot by his will designate any person as a beneficiary of the donation fund of the union; that in the present case the plaintiff, not being a relative of the deceased, would not, even if she had been properly designated, have been entitled to be a beneficiary of the funds. The by-law of the union which provided for payment of the benefit alternatively "to the legal representative of a deceased member" was held to be a member of the union in good standing... "The provisions of the Life Insurance Act do not apply to the destination of benefits conferred by membership in the association, which was incorporated under the Charitable Associations Act of Manitoba." The plaintiff appealed against this decision, which was, however, confirmed by the Court of Appeal.

Also in the November 1926 issue of *The Labour Gazette,* profiteering prevention in Australia was described in the report of the Board of Arbitration under the Queensland Profiteering Prevention Act. It claimed that the effects of this legislation could be demonstrated by the fact that the cost of living in Queensland was lower than in any other state in Australia. "This favourable position," the report stated, "has been reached as the result of the strictest control of the prices of commodities that find a place in the household budget of the working man. It has been maintained too, despite the severe drought which has prevailed in Queensland during the period under review, and which has compelled the Board to increase the maximum prices of meat, bread, and milk."

Meanwhile, in the United States, a **"no-accident" bonus** was given by the Brooklyn City Railroad Company to its motormen and conductors on its street railways. A bonus of $5 was paid to each motorman and conductor for each 30-day working period in which cars were operated without an accident. Forty bonuses, amounting to nearly $6,000, were paid to employees between August and September, 1926. The average daily number of accidents was reduced in this period to about 30 from about 45.

—Kathleen E. Whitehurst

PRICES & EMPLOYMENT

Consumer, September

The Consumer Price Index for Canada (1971 100) advanced 0.5 per cent from 150.0 in August to 150.7 in September, and was 6.5 per cent above its level of September 1975. Higher prices for fuel oil and gasoline contributed to more than three fifths of the latest increase; higher shelter charges for owned and rented accommodation also contributed to this increase. The effect of these advances was lessened by a further decline of 0.7 per cent in the food index level. The index for all-items excluding food rose 1.0 per cent in the latest month. The latest decrease in the food index was mainly because of seasonally lower prices for fresh vegetables,sugar and poultry. Partially offsetting the declines were higher prices for beef, which advanced 1.8 per cent on average in September to a level still 13 per cent below that of a year earlier, and higher restaurant meal charges. In the latest month the index for food consumed at home was 2.0 per cent below its level of a year ago. Higher prices for fuel oil and for gasoline as well as increased shelter charges for owned and rented accommodation were mainly responsible for the 1.0 per cent rise in the index for all items excluding food. Between September 1975 and September 1976 the index rose 9.3 per cent. Important price increases were noted also for postage, plane fares, women's wear items, cigarettes and magazine subscriptions.

In terms of goods and services, the price level of goods, including food, advanced 0.5 per cent in the latest month and that for services increased 0.7 per cent. Between September 1975 and September 1976, the price level of services increased 12.3 per cent compared with a 3.3 per cent rise for goods.

On a seasonally adjusted basis, the all-items CPI advanced 0.7 per cent between August and September. This included a 0.1 per cent increase in the food index and a 1.0 per cent rise in the index for all items excluding food.

City Consumer, September

Consumer price indexes rose in 13 regional cities and declined in one between August and September. Movements ranged from a decrease of 0.2 per cent in Halifax to an increase of 1.2 per cent in Vancouver. Higher prices for gasoline and fuel oil, and increased shelter charges were important contributing factors to these advances as were increased prices for clothing, postage, magazines and cigarettes. Prices for food for home consumption were generally lower in all cities.

Percentage increases listed in the 13 regional cities were: 0.3 in Montreal, Ottawa, Toronto, Thunder Bay, Regina and Calgary; 0.5 in Saint John, Winnipeg and Saskatoon; 0.6 in Quebec; 0.7 in St. John's; 0.9 in Edmonton; 1.2 in Vancouver. There was a percentage decrease of 0.2 in Halifax.

Employment, September

The seasonally adjusted employment level in September was 9,626,000, a decrease of 2,000 from August, Statistics Canada reported. The level for men 15 to 24 years old increased substantially by 68,000 and declined by 7,000 for women in the same age group. The employment level decreased by 59,000 for women 25 years old and over and by 4,000 for men 25 and over.

On a provincial basis, seasonally adjusted, employment increased in Newfoundland by 1,000; in Prince Edward Island by 1,000; in Nova Scotia by 3,000; in New Brunswick by 3,000; in Ontario by 4,000; in Saskatchewan by 5,000; and in Alberta by 6,000. It declined in Quebec by 7,000; in Manitoba by 1,000; and in British Columbia by 2,000.

Unemployment, September

The seasonally adjusted unemployment rate for September (753,000) increased by 0.1 per cent to 7.3 per cent. For men aged 15 to 24 the rate declined by 1.5 per cent to 11.3 per cent but increased by 0.3 per cent to 12.8 per cent for women in that age group. For women 25 and over the rate increased by 0.9 per cent to 7.8 per cent while for men in the same age group it declined by 0.1 per cent to 4.3 per cent.

By province, the unemployment rate increased by 0.6 per cent to 9.5 per cent in Prince Edward Island; by 0.6 per cent to 9.7 per cent in Quebec; by 0.6 per cent to 4.6 per cent in Manitoba and by 0.2 per cent to 8.5 in British Columbia. The rate decreased by 0.5 per cent to 14.4 per cent in Newfoundland; by 0.6 per cent to 10.4 per cent in Nova Scotia; by 0.5 per cent to 11.4 per cent in New Brunswick; by 0.1 per cent to 5.7 per cent in Ontario; by 2.5 per cent to 2.2 per cent in Saskatchewan; and by 0.3 per cent to 3.7 per cent in Alberta.

The seasonally adjusted unemployment level for Canada was 753,000, relatively unchanged from the August level of 750,000. For men aged 15 to 24, unemployment decreased by 16,000 while for women in that age group it increased by 2,000. The level for men 25 and over declined by 5,000 and increased by 22,000 for women 25 and over.

Additions to the Library

LIST NO. 330

The publications listed below are recent acquisitions. They may be borrowed through a local library (business, university, public, etc.) or directly — if there is no local library — by writing to The Chief Librarian, Labour Canada, Ottawa, Ontario K1A 0J2, indicating the publication numeral and the month.

ACCIDENT PREVENTION

1. British Columbia Federation of Labour (C.C.L.) Compensation and Safety Committee. Submission...to the Government of British Columbia on compensation and safety legislation, April 22, 1976. Vancouver, 1976. 11p.

AGE AND EMPLOYMENT

2. U.S. Congress. Senate. Special Committee on Aging. Task Force on Women and Social Security. Women and social security: adapting to a new era; a working paper prepared by the Task Force on Women and Social Security. Washington, G.P.O., 1975. 87p.

ARBITRATION, INDUSTRIAL

3. Margerison, Charles J. Managing industrial conflicts; the mediator's role, by Charles Margerison and Malcolm Leary. Bradford, Eng., MCB Books, 1975. 94p.

BUILDING TRADES

4. U.S. Department of Labor. Manpower Administration. Training and entry into union construction. Washington, G.P.O., 1975. 207p.

CHILDREN

5. U.S. Congress. Senate. Committee on Labor and Public Welfare. Subcommittee on Children and Youth. Background materials concerning Child and Family Services Act, 1975. Washington, G.P.O., 1976. 96p.

COLLECTIVE AGREEMENTS

6. Canada. Department of Labour. Collective Bargaining Division. Base rate increases...resulting from major collective bargaining settlements (construction industry excluded) tabulations by percentages and cents per hour. Ottawa, 1976. 55p. Titre en français: Augmentations des taux de salaire de base...prévus par les grandes conventions collectives autres que celles de l'industrie de la construction.

7. Levine, Marvin Jacob. Comparative Labor relations law. Morristown, N.J., General Learning Press, 1975. 445p.

8. Nova Scotia. Department of Labour. Economics and Research Division. Trends in collective agreement settlement base rate changes in Nova Scotia, 1975. Halifax, 1976. 10p.

9. U.S. Bureau of Labor Statistics. BLS file of state, county, and municipal collective bargaining agreements, Fall 1975. Washington, G.P.O., 1976. 97p.

COLLECTIVE BARGAINING

10. Industrial Relations Research Association. Proceedings of the Twenty-eighth annual winter meeting, December 28-30, 1975, Dallas. Edited by James L. Stern and Barbara D. Dennis. Madison, Wis., 1976. 295p.

COMMERCE

11. Pestieau, Caroline. The sector approach to trade negotiations: Canadian and U.S. interests. Montreal, C.D. Howe Research Institute, 1976. 15p.

DISCRIMINATION IN EMPLOYMENT

12. Haessel, Walter. Market power, discretionary authority, and employment discrimination, by Walter Haessel and John Palmer. London, Ont., University of Western Ontario, Department of Economics, 1976. 29p.

13. U.S. Commission on Civil Rights. Twenty years after Brown: equality of economic opportunity. Washington, G.P.O., 1975. 83p.

ECONOMICS

14. Patinkin, Don. Keynes' monetary thought: a study of its development. Durham, N.C., Duke University Press, 1976. 163p.

EMPLOYEES — DISMISSAL

15. Willes, John A. The employment relationship and discharge and discipline. Kingston, Ont., Industrial Relations Centre, Queen's University, 1976. 10p.

EMPLOYEES' BENEFIT PLANS

16. Beadle, Carson E. Implications of new public policies for employee benefit plans. Kingston, Ont., Industrial Relations Centre, Queen's University, 1976. 18p.

EMPLOYMENT FORECASTING

17. Kelley, Samuel Clifton. Manpower forecasting in the United States: an evaluation of the state of the art, by S.C. Kelley, Thomas N. Chirikos and Michael G. Finn. Columbus, Center for Human Resource Research, Ohio State University, 1975. 257p.

EMPLOYMENT MANAGEMENT

18. Killian, Ray A. Human resource management, an ROI approach. New York, AMACOM, 1976. 232p.

GUARANTEED ANNUAL INCOME

19. Swan, Neil M. The effect of income maintenance programs on economic development in the Maritimes, by N. Swan, P. MacRae and C. Steinberg. Ottawa, Economic Council of Canada, 1975. 112p.

HOURS OF LABOUR

20. Great Britain. Department of Employment. Changing patterns of working hours, by P.J. Sloane. London, H.M.S.O., 1975. 45p.

HUMAN RIGHTS

21. United Nations. Commission on Human Rights. The realization of economic, social and cultural rights: problems, policies, progress, by Manouchehr Ganji, Special Rapporteur of the Commission on Human Rights. New York, United Nations, 1975. 326p.

INCOME

22. Osberg, Lars. Industrial structure of micro-economies and the distribution of earnings. London, Ont., University of Western Ontario, Department of Economics, 1976. 24p.

INDUSTRIAL HEALTH

23. Hricko, Andrea. Working for your life: a woman's guide to job health hazards, by Andrea Hricko with Melanie Brunt. Forward by Gloria Gordon. Berkeley, Calif., Labor Occupational Health Program, 1976. 1v. (various pagings).

INDUSTRIAL RELATIONS

24. Barrett, Brian. Industrial relations and the wider society: aspects of interaction. Edited by Brian Barrett, Ed Rhodes and John Beishon. Assisted by Gail Midgley. London, Collier MacMillan in association with the Open University Press, 1975, 465p.

25. Eberlee, Thomas M. Industrial relations challenges and opportunities. Kingston, Ont., Industrial Relations Centre, Queen's University, 1976. 8p. (Queen's University. Industrial Relations Centre. Reprint series, no. 31).

INDUSTRY

26. Great Britain. Central Office of Information. Reference Division. British industry today: organization and production, London, H.M.S.O., 1976. 23p.

JOB SEARCH

27. U.S. Bureau of Labor Statistics. Jobseeking methods used by American workers. Washington, G.P.O., 1975. 68p.

LABOUR LAWS AND LEGISLATION

28. U.S. Department of Labor. Employment Standards Administration. A guide to the Walsh-Healey Public Contracts Act. Washington, G.P.O., 1976. 8p.

LABOUR ORGANIZATION

29. Hillery, Brian. Trade union organisation in Ireland, by Brian Hillery, Aidan Kelly and A.I. Marsh. Dublin, Irish Productivity Centre, 1975. 196p.

LABOURING CLASSES

30. Great Britain. Central Office of Information. Reference Division. Manpower and employment in Britain: occupations and conditions of work. London, H.M.S.O., 1975. 61p.

MINORITIES

31. U.S. Congress. Joint Economic Committee. Subcommittee on Economic Growth. Employment problems of women, minorities, and youths: hearings...Ninety-fourth Congress, first session, July 7 and 8, 1975. Washington, G.P.O., 1975. 64p.

NATURAL RESOURCES

32. Rea, Kenneth John. The political economy of northern development. Ottawa, Information Canada, 1976. 251p.

PENSIONS

33. U.S. Congress. House. Selection Committee on Aging. Subcommittee on Retirement Income and Employment. Pension problems of older women; hearing before the Subcommittee...Ninety-fourth Congress, first session, October 21, 1975. Washington, G.P.O., 1975. 78p.

QUALITY OF WORKING LIFE

34. U.S. Congress. Senate. Committee on Government Operations. National productivity and quality of working life - 1975. Hearings...Ninety-fourth Congress, first session on S937...S765... March 20 and 21, 1975. Washington, G.P.O., 1975. 374p.

RETIREMENT

35. Canada. Department of Indian and Northern Affairs. Retirement, the best years. Ottawa, 1973-1974. 3 parts. Contents — pt. 1. Discussion leader's guide. — pt. 2. Handbook, by Len Douse. — pt. 3. Workbook, by Murray McCrank.

SOCIAL PROBLEMS

36. Theobald, Robert. Beyond despair; directions for America's third century. Washington, New Republic Book Company, 1976. 169p.

SOCIAL SECURITY

37. U.S. Laws, statutes, etc. The Social Security Act and related laws including amendments through January 2, 1976. Washington, G.P.O., 1976. 744p.

STATUS OF WOMEN

38. Brent, Gail G. The development of the law relating to the participation of Canadian women in public life. Toronto, University of Toronto, 1975. p.358-370. (In University of Toronto Law Journal, v.25, no.4, 1975)

39. Recherches et Décisions Québec Ltée. La femme canadienne. Préparé pour Secrétariat de l'Année internationale de la femme, Bureau du conseil privé, Ottawa. Toronto, 1976. 278p.

VACATIONS

40. International Labour Office. Holidays with pay for seafarers. Second item on the agenda. Geneva, 1976. 45p.

WAGE POLICIES

41. Downie, Bryan McKay. Wage-price controls and collective bargaining. Kingston, Ont., Industrial Relations Centre, Queen's University, 1976. 18p.

WAGES AND HOURS

42. Woodward, Robert Simpson. Professional work-leisure decisions under alternative remuneration methods: changing the shape of Edgeworth Boxes. London, Ont., University of Western Ontario, Department of Economics, 1976. 29p.

WOMEN — EMPLOYMENT

43. Bossen, Marianne. Employment in chartered banks, 1969-1975. Winnipeg, 1976. 71p. Sponsored by Advisory Council on the Status of Women and Canadian Bankers' Association. Titre en français: L'emploi dans les banques à charte, 1969-1975.

44. Ontario. Women's Bureau. Ontario labour legislation of interest to working women. Toronto, 1975. 4p.

45. Townson, Monica. Women in the public service; an analysis of employment statistics 1972-1974. Ottawa, Advisory Council on the Status of Women, 1975. 34p.

46. U.S. Congress. House. Select Committee on Aging. Subcommittee on Retirement Income and Employment. Equal opportunity for women (displaced homemakers and minority women); hearing...Ninety-fourth Congress, first session, November 12, 1975. Washington, G.P.O., 1976. 33p.

47. Women in blue-collar jobs; a Ford Foundation conference report. New York, Ford Foundation, 1976. 28p.

WORK

48. Salaman, Graeme. Community and occupation; an exploration of work/leisure relationships. London, Cambridge University Press, 1974. 136p.

WORK SATISFACTION

49. Flanagan, Robert Joseph. Worker discontent and work place behavior, by Robert J. Flanagan, George Strauss and Lloyd Ulman. Berkeley, University of California, 1974. p.101-123. (California. University. Institute of Industrial Relations. Reprint no.388)

50. Barth, Richard Timothy. Final report on an empirical examination of several job attraction measures. Vancouver, the Author, 1975. 30p.

labour statistics

Principal Items	Date	Amount	Percentage change from Previous Month	Percentage change from Previous Year
TOTAL CIVILIAN LABOUR FORCE*		(unadjusted figures, in thousands)		
Week ended August 21, 1976		10,773	− 0.5	+ 3.5
Employed	August 1976	10,064	− 0.5	+ 2.9
Agriculture	" "	555	+ 0.04	+ 4.1
Non-agriculture	" "	9,509	− 4.3	+ 3.3
Paid workers	" "	9,046	− 0.1	+ 3.9
At work 35 hours or more	" "	7,086	+ 4.4	+ 0.9
At work less than 35 hours	" "	1,509	+ 0.7	+ 27.1
Employed but not at work	" "	1,468	− 17.2	+ 6.8
		(change in thousands)		
Unemployed	August 1976	709	− 66	+ 16
Newfoundland	" "	24	− 3	—
Nova Scotia	" "	33	—	+ 11
Prince Edward Island	" "	4	− 1	—
New Brunswick	" "	26	− 2	+ 4
Quebec	" "	236	− 4	+ 20
Ontario	" "	228	− 37	− 20
Manitoba	" "	18	− 3	− 3
Saskatchewan	" "	19	—	+ 7
Alberta	" "	30	− 2	—
British Columbia	" "	92	− 13	− 2
Without work, seeking work and available for work	" "	597	− 82	+ 20
		percentage change		
INDUSTRIAL EMPLOYMENT (1961 = 100)r	May 1976	145.5	+ 2.2	+ 2.0
Manufacturing employment (1961 = 100)r	" "	130.1	+ 1.6	+ 1.6
IMMIGRATION	1st quarter 1976	32,359	—	—
Destined to the labour force	" " "	14,111	—	—
STRIKES AND LOCKOUTS‡				
Strikes and lockouts	July 1976	197	− 17.2	− 20.2
No. of workers involved	" "	79,058	− 58.4	− 29.6
Duration in man days	" "	1,330,020	+ 12.4	+ 8.9
EARNINGS AND INCOME				
Average weekly earnings (ind. comp.)r	May 1976	225.27	− 5.7	+ 12.4
Average hourly earnings (mfg.)r	" "	5.73	+ 1.4	+ 14.4
Average weekly hours paid (mfg.)r	" "	38.5	− 1.0	− 0.3
Consumer price index (1971 = 100)	August 1976	150.0	+ 0.5	+ 6.2
Index numbers of weekly wages in 1961 dollars (1961 = 100)r	May 1976	149.4	− 0.3	+ 5.9
Total labour income (millions of dollars)†	July 1976	8,668.1	− 4.1	+ 11.3
INDUSTRIAL PRODUCTION‡				
Total (average 1971 = 100)	July 1976	119.5	− 0.3	+ 3.5
Manufacturing	" "	120.1	—	+ 4.3
Durables	" "	121.8	+ 0.1	+ 1.7
Non-durables	" "	118.4	− 0.2	+ 6.9
NEW RESIDENTIAL CONSTRUCTION**				
Starts	July 1976	20,630	—	+ 10
Completions	" "	17,313	—	+ 15
Under construction	" "	165,382	—	+ 26

*Source: Statistics Canada. *Labour Force Information*, Cat. No. 71-001P and *The Labour Force*, Cat. 71-001
†Advance data
‡Preliminary
**Centres of 10,000 population or more
r Revised

STRIKES AND LOCKOUTS

Statistical information on work stoppages in Canada is compiled by the Labour Data Branch of the Canada Department of Labour on the basis of reports from the Canada Manpower Division, Department of Manpower and Immigration. The first three tables in this section cover strikes and lockouts that amount to 10 or more man-days. The number of workers onvolved includes all workers reported on strike or lockout, whether or not they all belonged to the union directly involved in the disputes leading to the work stoppages. Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included.

STRIKES AND LOCKOUTS, 1971-76

Month or Year	Strikes and Lockouts Beginning During Month of Year	Strikes and Lockouts in Existence During Month of Year: Strikes and Lockouts	Workers Involved	Duration in Man-Days: Man-Days	Per Cent of Estimated Working Time
1971	547	569	239,631	2,866,590	0.16
1972	556	598	706,474	7,753,530	0.43
1973	677	724	348,470	5,776,080	0.30
1974	1,170	1,216	592,220	9,255,120	0.46
1975	977	1,054	482,180	10,894,190	0.53
1975					
July	100	247	112,316	1,220,830	0.65
August	90	249	105,270	1,284,490	0.74
September	68	222	81,292	1,287,600	0.75
October	70	244	111,470	1,298,900	0.72
November	55	197	91,697	1,442,020	0.88
December	28	176	82,266	1,106,620	0.64
*1976					
January	33	164	54,590	842,250	0.49
February	46	170	148,145	603,130	0.37
March	71	170	172,468	483,060	0.25
April	66	157	303,708	702,250	0.40
May	85	177	268,076	707,930	0.42
June	118	238	190,197	1,183,080	0.62
July	61	197	79,058	1,330,020	0.71
January-June: 1975		743		4,474,550	0.36
January-June: 1976		611		5,851,720	0.46

*Preliminary.

STRIKES AND LOCKOUTS, JULY 1976, BY INDUSTRY (Preliminary)

Industry	Number Beginning During Month	In Effect During Month: Strikes and Lockouts	Workers Involved	Man-Days	Cumulative Man-Days (Jan. to July)
Agriculture	0	0	0	0	670
Forestry	0	1	355	7,460	16,190
Fishing	0	0	0	0	350
Mines	2	14	5,713	94,410	370,040
Manufacturing	23	85	29,545	540,570	2,801,720
Construction	9	18	28,914	460,560	511,370
Transp. & Utilities	13	24	4,204	51,310	379,110
Trade	5	24	969	17,330	87,200
Finance	1	2	94	1,330	4,830
Service	3	19	8,689	151,260	972,850
Public Admin.	5	10	575	5,790	42,890
Various industries	0	0	0	0	664,500
TOTAL	61	197	79,058	1,330,020	5,851,720

STRIKES AND LOCKOUTS, JULY 1976, BY JURISDICTION (Preliminary)

Jurisdiction	Number Beginning During Month	In Effect During Month: Strikes and Lockouts	Workers Involved	Man-Days	Cumulative Man-Days (Jan. to July)
Newfoundland	2	12	571	5,460	123,340
P.E.I.	1	3	410	6,410	16,280
Nova Scotia	6	8	2,869	35,600	94,510
New Brunswick	3	4	1,318	27,280	128,300
Quebec	15	71	28,435	565,150	3,058,780
Ontario	13	49	9,260	131,460	1,173,300
Manitoba	2	4	247	4,830	88,230
Saskatchewan	8	14	2,199	28,590	80,830
Alberta	3	7	1,033	9,200	46,770
B.C.	2	13	30,564	494,920	933,980
Yukon & N.W.T.	0	0	0	0	0
Total, provinces	55	185	76,906	1,308,900	5,744,320
Federal Public Service (1)	—	1	54	1,040	3,730
Federal Industries (2)	6	11	2,098	20,080	103,670
Federal total	6	12	2,152	21,120	107,400
TOTAL	61	197	79,058	1,330,020	5,851,720

(1) Covered under the Public Service Staff Relations Act
(2) Covered under the Canada Labour Code: Part V.
NOTE: Numbers related only to workers directly involved in the dispute.

STRIKES AND LOCKOUTS INVOLVING 100 OR MORE WORKERS, JULY, 1976 (Preliminary)

Industry / Employer / Location	Union	Workers Involved	Duration in Man-Days: July	Duration in Man-Days: Accumulated	Starting Date / Termination Date	Major Issues / Result
Forestry						
Woodlands Enterprises, Prince Albert, Sask.	Woodworkers Loc. 1-184 (AFL-CIO/CLC)	355	7,460	17,930	May 19	Wages, fringes, other issues —
Mines						
METAL						
St. Lawrence Columbium & Metals Corp., Oka, Quebec	Steelworkers Loc. 7579 (AFL-CIO/CLC)	170	3,570	21,340	Feb. 03	Wages, fringe benefits —
Gibraltar Mines Ltd., McLeese Lake, B.C.	Can. Ass'n of Industrial Wrks. Loc. 18 (CCU)	400	8,000	33,250	Mar. 19 July 29	Seniority, safety, mgmt. rights — Terminated by mutual agreement —
Brunswick Mining & Smelting, Bathurst, N.B.	Steelworkers Loc. 5385 (AFL-CIO/CLC)	1,180	26,130	53,500	May 29	Wages, other issues —
Niobec Columbium Mine, Saint-Honoré, Québec	Steelworkers (AFL-CIO/CLC)	110	2,310	3,190	June 21	Wages, vacations, overtime —
Whitehorse Copper Mines, Whitehorse, Yukon	Steelworkers Loc. 926 (AFL-CIO/CLC)	160	3,540	3,700	June 30	Wages —
United Keno Hill Mines, Elsa, Yukon	Steelworkers Loc. 924 (AFL-CIO/CLC)	186	500	500	July 29	Wages, fringe benefits —
Cyprus-Anvil Mines, Faro, Yukon	Steelworkers Loc. 1051 (AFL-CIO/CLC)	480	320	320	July 31	AIB rollback of wages —
MINERAL FUELS						
Fording Coal (Cominco), Elkford, B.C.	Chartered Local Loc. 1702 (CLC)	100	2,100	6,100	May 05	Wages, length of contract —
Fording Coal (Cominco), Elkford, B.C.	Steelworkers Loc. 7884 (AFL-CIO/CLC)	720	15,940	44,740	May 06	Wages, length of contract —
Kaiser Resources, Sparwood, B.C.	United Mine Workers Loc. 7292 (CLC)	1,350	13,500	57,860	May 16 July 15	Wage rollback by AIB — Terminated by mutual agreement —
NON-METAL						
Cassiar Asbestos, Cassiar, B.C.	Steelworkers Loc. 6536 (AFL-CIO/CLC)	439	9,720	12,230	June 23	Wages, fringe benefits —
QUARRIES						
Demix Laval Ltd., Laval, Quebec	Syndicat des employés de Demix (CNTU)	150	3,150	5,850	June 05	Wages, fringe benefits —

STRIKES AND LOCKOUTS INVOLVING 100 OR MORE WORKERS, JULY, 1976 (Preliminary) (Cont'd)

Industry / Employer / Location	Union	Workers Involved	Duration in Man-Days: July	Duration in Man-Days: Accumulated	Starting Date / Termination Date	Major Issues / Result
Manufacturing						
FOOD & BEVERAGES						
Pêcheurs unis du Québec, Newport & Rivières-au-Renard, Québec	Commerce Fed'n (CNTU)	283	280	14,490	May 18 July 05	Wages, working conditions — Not reported —
Redpath Sugars, Montreal, Quebec	Bakery Wkrs. Loc. 333 (AFL-CIO/CLC)	350	3,120	9,100	June 07 July 13	Wages, working conditions — Terminated by mutual agreement —
St. Lawrence Sugar, Montreal, Quebec	Bakery Wkrs. Loc. 333 (AFL-CIO/CLC)	270	5,670	9,180	June 14	Wages —
Borden & J. J. Joubert, St. Laurent, Quebec	Teamsters Loc. 973 (Ind.)	250	5,250	7,250	June 20	Wages —
National Sea Products, Lunenburg, N.S.	Seafood Wkrs. Loc. 101 (CLC)	400	400	400	July 07 July 08	Wage payment due in July — Terminated by mutual agreement —
Labatts Alberta Brewery, Edmonton, Alberta	Brewery Wkrs. Loc. 252 (CLC)	132	990	990	July 21	Wages, pensions, plant operat'n —
Canadian Home Products, Niagara Falls, Ontario	Food Workers Loc. P767 (AFL-CIO/CLC)	250	1,500	1,500	July 23	Wages, fringes, other issues —
Humpty Dumpty Potato Chips, Lachine, Quebec	Bakery Workers Loc. 333 (AFL-CIO/CLC)	295	890	890	July 28	Wages in first agmt. —
RUBBER						
Uniroyal Ltd., Kitchener, Ontario	Rubber Wkrs. Loc. 67 (AFL-CIO/CLC)	480	1,440	17,760	May 13 July 07	Wages — Workers return, agmt. reached —
Canadian General Tower, Cambridge, Ontario	Rubber Wkrs. Loc. 862 (AFL-CIO/CLC)	400	800	800	July 07 July 09	Dispute with supervisor — Return of workers —
LEATHER						
Rosita Shoes, Montreal, Quebec	CSD	384	8,060	72,750	Nov. 04	Wages —
TEXTILES						
Celanese Canada, Drummondville, Quebec	Syndicat des employés de Celanese (CNTU)	1,471	32,570	104,020	Apr. 26	Wages, fringes, other issues —
KNITTING MILLS						
National Knitting Mills, Toronto, Ontario	Textile Wkrs. Loc. 1865 (AFL-CIO/CLC)	215	4,520	5,600	June 24	Wages, fringe benefits —
WOOD						
Canadian Forest Products, Huntting-Merrit, B.C.	Woodworkers Loc. 1-217 (AFL-CIO/CLC)	170	3,570	49,470	Sept. 13	Shorter hours, elimination of piecework, rates of pay —
Scierie Aimé Gaudreau, Estcourt, Québec	Syndicat des employés de scierie (CNTU)	118	2,480	11,750	Mar. 10	Wages, benefits —

STRIKES AND LOCKOUTS INVOLVING 100 OR MORE WORKERS, JULY, 1976 (Preliminary) (Cont'd)

Industry / Employer / Location	Union	Workers Involved	Duration in Man-Days: July	Duration in Man-Days: Accumulated	Starting Date / Termination Date	Major Issues / Result
Sungold Mfg., Calgary, Alberta	Woodworkers Loc. 206 (AFL-CIO/CLC)	110	2,310	8,530	Apr. 13	Wages —
Bellerive Veneer & Plywood Mont-Laurier, Quebec	Carpenters Loc. 2399 (AFL-CIO/CLC)	166	3,490	7,310	May 31	Wages —
Abitibi-Price, Thunder Bay, Ontario	Carpenters Loc. 2827 (AFL-CIO/CLC)	300	6,300	6,300	July 02	Contract issues, 7-day week —
FURNITURE & FIXTURES						
Art Laboratory Furniture, Co., Montreal, Quebec	Upholsterers Loc. 402 (AFL-CIO/CLC)	130	2,730	19,240	Dec. 05/ 1975	Not reported —
PAPER						
Domtar Construction Materials, Caledonia, Ontario	Steelworkers Loc. 14994 (AFL-CIO/CLC)	193	4,050	11,200	May 09	Wages, fringe benefits —
Reed Paper Co., Dryden, Ontario	Various unions	1,044	23,120	35,750	June 14	Wages —
PRIMARY METALS						
Ontario Malleable Iron, Oshawa, Ontario	Steelworkers Loc. 1500 (AFL-CIO/CLC)	220	4,620	30,140	Jan. 18	Wages, fringe benefits —
Sidbec-Dosco, Contrecoeur, Quebec	Steelworkers various locs. (AFL-CIO/CLC)	1,190	26,350	73,500	May 06	Wages, fringes, hours of work —
Benn Iron Foundry, Wallaceburg, Ontario	Auto Workers Loc. 251 (CLC)	240	5,040	11,040	May 27	Wages, other issues —
Alcan, various locations, Quebec	Fed'n of Aluminum Unions (Ind.)	8,669	191,960	365,340	June 03	Wages, pensions, safety —
Sidbec-Dosco Ltée, Montréal, Québec	Steelworkers (AFL-CIO/CLC)	1,000	22,140	59,240	May 10	Wages, fringe benefits —
METAL FABRICATING						
Firestone Steel Products, London, Ontario	Auto Workers Loc. 27 (CLC)	300	600	600	July 08 July 12	Not reported — Return of workers —
MACHINERY						
Rolls Royce Canada, Lachine, Quebec	Machinists Loc. 869 (AFL-CIO/CLC)	520	10,400	10,400	July 05	Wages —
TRANSPORTATION EQUIPMENT						
Motor Wheel Corp., Chatham, Ontario	Auto Workers Loc. 127 (CLC)	588	12,350	29,990	May 19	Wages, fringe benefits —
Davie Shipbuilding, Lauzon, Quebec	Fed'n of Metal Trade Unions (CNTU)	1,858	39,020	78,040	June 01	Wages — Not reported —
Skiroule Ltée, Wickham, Québec	Steelworkers Loc. 776 (AFL-CIO/CLC)	130	2,730	2,990	June 29	Wages, fringe benefits —

STRIKES AND LOCKOUTS INVOLVING 100 OR MORE WORKERS, JULY, 1976 (Preliminary) (Cont'd)

Industry / Employer / Location	Union	Workers Involved	Duration in Man-Days: July	Duration in Man-Days: Accumulated	Starting Date / Termination Date	Major Issues / Result
Fruehauf Trailor, Mississauga, Ontario	Auto Workers Loc. 252 (CLC)	339	6,780	6,780	July 05	Wages, fringes, length of agmt. —
Budd Automotive, Kitchener, Ontario	Auto Workers Loc. 1451 (CLC)	300	300	300	July 14 July 15	Dispute with foreman — Return of workers —
Hawker Siddeley, Dartmouth, N.S.	Marine Workers Fed'n Loc. 1, 13 (CLC)	300	150	150	July 21 July 22	Suspension of a worker — Terminated by mutual agreement —
ELECTRICAL PRODUCTS						
A. Bélanger Ltée, Montmagny, Québec	CNTU	400	8,400	27,200	Apr. 26	Wages, fringes, other issues —
Canadian Chromalox, Rexdale, Ontario	Auto Wkrs. Loc. 252 (CLC)	479	10,060	27,310	May 14	Wages, fringe benefits —
Great Lakes Carbon, Berthierville, Quebec	Fed'n of Metal Trades Unions (CNTU)	187	4,140	6,400	June 14	Wages, fringe benefits —
Fruehauf Trailor, Mississauga, Ontario	Steelworkers Loc. 5788 (AFL-CIO/CLC)	243	3,770	3,770	July 10	Wages —
NON-METALLIC MINERAL PRODUCTS						
Several Ready-Mix Coes., Southern Ontario	Teamsters Loc. 141, 230, 879 (Ind.)	1,500	9,000	13,500	June 28 July 12	Wages, job security — Terminated by mutual agreement —
PETROLEUM & COAL PRODUCTS						
Texaco Canada, Edmonton, Alberta	Oil Workers Loc. 9-910 (AFL-CIO/CLC)	135	2,600	2,600	July 05	Wages, fringe benefits —
CHEMICAL PRODUCTS						
Canadian Industries Ltd., Nitro, Quebec	Féd. des synd. des mines (CSN)	360	7,560	39,960	Feb. 24	Wages, grievance, other contract issues —
C.I.L. Ltd., Nobel, Ontario	Steelworkers Loc. 13704 (AFL-CIO/CLC)	175	3,680	12,780	Apr. 15	Wages, other issues —
Sico Inc., Quebec & Montreal, Quebec	Fed'n of Metal Trades Unions (CNTU)	150	3,150	7,200	May 24	Wages, vacations —
Construction						
P.E.I. Construction Ass'n, various locations, P.E.I.	IBEW Loc. 1432 (AFL-CIO/CLC)	110	2,310	11,110	Mar. 09	Dispute over hiring 2 men —
Various Construction Cos., various locations, P.E.I.	Carpenters Loc. 1338 (AFL-CIO/CLC)	100	2,100	3,100	June 17	Contracting out of work —
Const. Ass'n Mgmt. Labour Bureau, various locations, N.S.	Plumbers Loc. 56, 244 (AFL-CIO/CLC)	861	16,220	20,620	June 21	Wages —
Const. Lab. Relations Ass'n, province wide, B.C.	Various unions	26,500	430,500	440,200	June 23	Wages, fringes, other issues —

STRIKES AND LOCKOUTS INVOLVING 100 OR MORE WORKERS, JULY, 1976 (Preliminary) (Cont'd)

Industry / Employer / Location	Union	Workers Involved	Duration in Man-Days: July	Duration in Man-Days: Accumulated	Starting Date / Termination Date	Major Issues / Result
Canadian Kellogg, Medicine Hat, Alberta	Teamsters (Ind.)	608	2,430	2,430	July 15 July 21	Wages in first contract — Terminated by mutual agreement —
Various Const. Coes., various locations, P.E.I.	Laborers Loc. 1079A (AFL-CIO/CLC)	200	2,000	2,000	July 19	Contracting out of work —
Transportation & Utilities						
TRANSPORTATION						
Transport Chauveau Ltée, Québec, Québec	Teamsters Loc. 106 (Ind.)	160	3,360	9,120	May 11	Wages —
Air Canada (finance branch), Winnipeg, Manitoba	Airline Empls. Loc. 202 (CLC)	529	8,460	14,280	June 16 July 16	Job security, classification — Terminated by mutual agreement —
Commission de Transport, Quebec, Quebec	Synd. des employés de garages (CSD)	178	3,050	3,050	July 08	Wages —
Metropolitain Sud Inc., Longueuil, Quebec	Public Service Fed'n (CNTU)	135	2,310	2,310	July 08	Wages —
Metropolitain Provincial Inc., Montreal, Quebec	Public Service Fed'n (CNTU)	160	1,030	1,030	July 23	Wages —
COMMUNICATION						
Canadian National Telegraphs, Gander, Newfoundland	Railway Transport & General Wkrs. (CLC)	120	2,560	13,120	Feb. 28	Dispute over shift scheduling —
Teleglobe Canada, various locations, Canada	Communications Workers (CLC)	350	1,400	1,400	July 12 July 16	Wages — Agm't. reached, tech'ns return —
CBC Radio Canada, Montreal, Quebec, Chicoutimi, Quebec	NABET (AFL-CIO/CLC)	122	60	60	July 16 July 17	Wages — Return of newsmen —
POWER, GAS, WATER						
B.C. Hydro, Province wide, B.C.	Office Empls. Loc. 378 (AFL-CIO/CLC)	533	4,240	4,240	July 06	Wages —
Nfld. Light & Power, St. John's, Nfld.	I.B.E.W. Loc. 1620 (AFL-CIO/CLC)	300	900	900	July 08 July 12	Rights to Jobs — Craftsmen return —
Sask. Power Corp., Province wide, Sask.	IBEW Loc. 2067 (AFL-CIO/CLC)	1,207	16,900	16,900	July 13	Rollback by provincial AIB —
Trade						
K-Mart Stores, Windsor, Ontario	Food Workers Loc. 725 (AFL-CIO/CLC)	200	4,330	7,500	June 09	Wages, union shop —

STRIKES AND LOCKOUTS INVOLVING 100 OR MORE WORKERS, JULY, 1976 (Preliminary) (Concl'd)

Industry / Employer / Location	Union	Workers Involved	Duration in Man-Days: July	Duration in Man-Days: Accumulated	Starting Date / Termination Date	Major Issues / Result
Kresge Co., Mississauga, Ontario	Teamsters Loc. 419 (Ind.)	100	2,170	2,500	June 26	Contract language —
Service						
HEALTH & WELFARE						
Hôtel-Dieu d'Arthabaska, Arthabaska, Québec	Social Affairs Fed'n (CNTU)	850	3,040	54,030	Apr. 08 July 06	Wages, fringe benefits — Not reported —
Various Quebec Hospitals, various locations, Que.	Quebec Fed'n of Nurses	5,500	102,140	157,140	June 17 July 27	Wages, work schedules —
Various hospitals (23), oMntreal and Quebec, Que.	Social Affairs Fed'n (CNTU)	900	19,930	28,290	June 18	Wages —
N.S. Ass'n of Health Orgs., various locations, N.S.	Public Empls. various locs. (CLC)	952	14,280	14,280	July 12	Wages —
Public Administration						
PROVINCIAL						
Wascana Centre, Regina, Saskatchewan	Sask. Gov't Empls. Ass'n (CLC)	225	110	110	July 30	Not reported —

General minimum rates for experienced adult workers

Federal	$2.90 effective April 1, 1976
Alberta	$2.75 effective March 1, 1976
British Columbia	$3.00 effective June 1, 1976
Manitoba	$2.95 effective September 1, 1976
New Brunswick	$2.80 effective November 1, 1976
Newfoundland	$2.50 effective January 1, 1976
Nova Scotia	$2.50 effective January 1, 1976 $2.75 effective January 1, 1977
Ontario	$2.65 effective March 15, 1976
Prince Edward Island	$2.50 effective July 1, 1976
Québec	$2.87 effective July 1, 1976
Saskatchewan	$2.80 effective January 1, 1976 $3.00 effective January 1, 1977
Northwest Territories	$3.00 effective June 7, 1976
Yukon Territory*	$3.00 effective April 1, 1976

*Federal rate plus ten cents.

Minimum wage rates for young workers and students*

Jurisdiction	Rates per hour	Effective Date
Federal	Employees under 17: $2.65	April 1, 1976
Alberta	Employees under 18: $2.60	March 1, 1976
	Students under 18 employed part-time: $2.25	March 1, 1976
British Columbia	Employees 17 and under: $2.60	June 1, 1976
Manitoba	Employees under 18: $2.70	September 1, 1976
Nova Scotia	Underage employees: 14 to 18 years: $2.50	January 1, 1977
Ontario	Students under 18 employed for not more than 28 hours in a week or during a school holiday: $2.15	March 15, 1976
Prince Edward Island	Employees under 18: $2.20	July 1, 1976
Québec	Employees under 18: $2.67	July 1, 1976
Northwest Territories	Employees under 17: $2.55	June 7, 1976

*New Brunswick, Newfoundland, Saskatchewan and the Yukon Territory have no special rates for young workers or students.